Is Canada Ready for Conference?

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

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The Nation's Business

Ontario's Loan
Canadians Told Nothing About Parley Policies
Is Bennett Plan of Complete Secrecy Even in His Interest?

Ontario Borrows in Home Market

ONTARIO has gone outside the usual financial channels and apparently with some success to obtain $20,000,000 to fund short-term loans. With the exception of the Dominion and the Province of Quebec few Canadian borrowers could follow a similar procedure and raise such a loan under prevailing conditions. Ontario bonds have attained such a prestige that in spite of a light institutional demand private investors readily subscribe for each new issue.

The important part played by the investment bankers of Canada in placing the present Ontario issue is minimized by the method used in offering the bonds but in large part the successful placement of the issue will be due to these bankers. Intensive work in selling this particular issue is made possible by a trained personnel that has been built up over a period of years, while the subsequent market for the bonds will, in large part, depend on the trading facilities offered by the larger financial houses. The highest grade government security will not sell itself. Canada needs sound merchandisers of securities to assure Canadian governments, municipalities and corporations that their legitimate needs of new capital can be met.

* * *

Rule of Secrecy at Ottawa

AS THE great day approaches for the opening of the Imperial Economic Conference there is in the minds of the Canadian public generally enthusiastic hope and no little optimistic expectation. Some of the promises that have unofficially been made for this parley of the British nations are absurd in their exaggeration. The danger of expecting too much is that even reasonable achievements will be regarded as failure.

But here and there a sceptical person undertakes to forecast complete breakdown for the conference. Even this is possible; it is no small task to ride the whirlwind of world depression and direct the storm and this is what the conference must do in relation to one-quarter of the world's population at least. And what the British countries accomplish will touch every living person. It would be fair to say that if the Conference does all that the most optimistic persons hope for, it will launch the whole world on a brighter era; if it fails as badly as the most pessimistic persons forecast, it will herald the end of the British Empire as an Empire. The final ground the conference will find will probably be the middle ground. And then debate can range keenly on the comparative positiveness or negation of the results achieved.

* * *

AS THE conference approaches, the Canadian people find themselves completely uninformed on two most important points.

In the first place they have no way of knowing whether or not the Canadian government is well-equipped for the conference. It is freely reported that the preparatory work that has been under way at Ottawa was undertaken so late and has been given such little conscious direction from above that it is wholly inadequate to match the comprehensive efforts of, for example, the British, Australian and South African delegations. Official assurances have been given that the Canadians are well armed with facts, advice and policies but the general policy of secrecy about the gathering has prevented the government from presenting any convincing evidence to this effect. In any event it is too late to do much about preparation now and Canadians will simply have to hope that the Canadian ministers are prepared.

* * *

IN THE second place, the Canadian people have only the slightest clues as to the policies that will be favored by the Canadian delegation. Mr. Bennett probably stands by his 1930 declarations but these may be interpreted in many ways. He then favored general tariff preference within the Empire but almost everyone favors that as an abstract proposition. The differences of opinions arise as to the manner of formulating an effective policy to this end and making that policy work. What the public would like to know is how Mr. Bennett intends to balance the

(Continued on page 2, col. 8)

TAX EVASION LEADS TO DROP GASOLINE PRICE

Growing Evil Causes Large Companies to Reduce Price Per Gallon

EVADE DUMP DUTY

Valuation Regulations Increase Profits U. S. Companies to Offset Canadian Subsidiary Losses

Evasion of provincial gasoline taxes on a growing scale and importation of United States gasoline on a plan that negatived the dumping duties together led Canadian major producers of gasoline to reduce prices by an average of one cent a gallon in many parts of Ontario and Quebec on July 1. This action at the outset of the greatest selling period of the year departs for the first time from the system hitherto observed of keeping a close correspondence between crude oil prices in the mid-Continent field and gasoline prices charged the consumer in Canada.

Protests made against gasoline taxes being raised during the last sessions of provincial legislatures were accompanied by prophecies that collection would become more difficult just as it has in various states of the United States. There the multiplicity of state lines has permitted the growing up of interlacing schemes of tax evasion which have made the illegal trafficking only second to bootlegging of liquor as a "racket." It was smugly assumed that in Canada "people pay their taxes" and that any attempt at tax evasion would be rapidly caught and punished. It becomes apparent, however, that the provincial inspection services will have to be extended if the evil is to be scotched in what is as yet the early stages. Such tax evasion comes hardest upon the large companies with thousands of service and filling stations because their accounts are strictly audited and they cannot afford to take chances on tax evasion even if they so desired.

Making Money by Bankruptcy

The temptation to tax evasion is evident when it is realized that small, independent proprietors of profitable service stations only make one or two cents a gallon on their product after expenses of running and maintaining the stations are taken into account. Yet here is a tax of six cents a gallon (taking the Ontario case as illustration) charged in the price paid by the public and if unscrupulous dealers see a way of taking part of this to themselves their possible profits may be doubled and even trebled. Naturally attempts are made only to evade part of the taxes, and charges have been bandied about the street that some of these proprietors keep two sets of books, one for the Government and one for themselves. Some station proprietors are accustomed in any case to keep only the sketchiest kind of accounting system that will let them get by. To get volume of sales, there is a tendency to divide the illicit gains with the

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Brazilian Will Pay 2% Stock Dividend

Brazilian Traction, Light & Power Co. annual meeting was featured by an announcement from Miller Lash, K.C., president, that the directors have declared another dividend of 2 per cent in stock, payable September 1 to shareholders of record July 30.

Mr. Lash, explaining the monthly earnings statements, said that milreis quotations are today nominal as there is not a free market. It is difficult to transfer funds for private purposes as the government desires to keep its credit high. The earnings, as shown in the monthly statements, are based on gold dollars at the average rates realized by the company when acquiring bills of exchange on New York and London where most of the servicing of bonds takes place. The favorable balance of trade shown by Brazil for 1931 and 1932 to date is an encouraging phase to shareholders.

Ont. Power Service Bondholders Neglect Forming Committee

Trusting Blindly to Ontario Government Generosity, Other Ways of Getting Money to Complete Project Have Not Been Canvassed

AWAIT PREMIER HENRY'S ANNOUNCEMENT

Work on Abitibi Canyon Project is Up-to-date—Co-operation By Bondholders of Parent and Subsidiary Companies, Bankers and Creditors Said to Be Enough to Finish Project Without Government Aid

Apparently Ontario Power Service Corp. bondholders have been negligent of their own interests in not organizing to canvass every possible method of bringing the Abitibi canyon power project to completion by October 1. They have had warning in that the default on Abitibi bonds was definitely stated to be because of the guarantee by Abitibi Power & Paper Co. of completion of the project to the point where it could deliver 85,000 horsepower to Ontario Hydro-Electric Power Commission by October 1.

Leadership has been lacking because those most interested are depending on the Ontario Government to take over the enterprise on terms that will substantially protect the bondholder. The Ontario Government so far has committed itself only to "considering" how it may take over the enterprise on terms "deemed equitable," and though it is expected that an announcement will be made this week or next, bondholders would most be acting in their own interests if they scurried around to see if there is not some way in which they can help themselves.

Quickness May Be Essential

Time is the most important element in the situation so far as the bondholders are concerned. If the Ontario Government makes an acceptable offer—well and good; but if that offer comes out so late that it has to be accepted to keep the work going on, bondholders will have to take what is offered whether it is "deemed equitable" by them or not. There is a disposition to believe that Premier Henry's offer when it comes will be a fair one and many still lean to the expectation that coupon debentures with a 4 or 4½ per cent interest rate may be offered bondholders for what they now hold. But the Premier is not tied to any definite offer as yet although it is believed that he is now pretty well decided on the main features of the plan for the province acquiring the property.

May Need Mutual Sacrifices

If the province does not take over the property or its offer is too low to be acceptable to bondholders, the only recourse for the bondholders and creditors and the bondholders of Abitibi Power, which guarantees the completion of the project, is to make mutual sacrifices that will bring about completion of the project. Whatever plan is taken would have to be acceptable to Abitibi's bankers, whose $2,000,000 loan is secured under Section 88 of the Bank Act, to Ontario Power Service Loan Corporation's creditors who would extend reasonable credit if a good-enough plan were forthcoming, to Abitibi bondholders and to Ontario Power Service Corp. bondholders.

Supposing the bankers were willing and that Canadian General Electric Co. or other large electrical enterprises supplying generators would grant easy terms for the completion of the enterprise, apparently very little more money would be necessary than would be made available by bondholders of Abitibi Power & Paper Co. and of Ontario Power Service Corp. through agreeing to waive interest payments for two or three periods.

How It Might Be Done

For example, if Abitibi Power bondholders agreed to waive interest payments on December 1 next as well as the payment not made on June 1 and if Ontario Power Service bondholders agreed to suspension of interest on January 1 next as well as the payment not made on July 1, there would be provided the following amounts toward finishing the project on time:

Abitibi Power interest ..	$2,654,685
Ontario Power interest ..	1,100,000
Further amount needed .	745,315
	$4,500,000

The company supplying generators valued at many hundreds of thousands of dollars would probably be willing to accept any reasonable plan that assured payment, acquisition by the province probably preferred. This means that, with a little help in financing, construction could be achieved by October 1, banking assistance on the project made good by January 1, 1933, and amounts due creditors repaid later from actual sums received from Ontario Hydro-Electric and Abitibi Power as per contract with the former and according to the needs of the latter.

Abitibi's Most Pressing Problem

Apparently there are few obstacles in the way of completion therefore if Abitibi continues in the last half of 1932 in as good current position as on June 1 when interest was not paid and if operations are on a large enough scale to permit earning of interest. This also takes for granted that there are no clauses in the contract with Ontario Hydro-Electric that can be read as permitting the latter to take less than 85,000 horsepower on October 1 if the contract is completed. It may not be at the moment a good contract for Ontario Hydro, but nevertheless it appears to be a good contract for bondholders if completion can be finished unless the contract was less binding than bondholders believed when buying the bonds. A protective committee for bondholders would as a first measure make a careful study of the contract about which many disquieting and probably baseless rumors have been circulated.

Abitibi bondholders would lose interest in the venture as soon as completion of the project was assured by October 1, except for whatever notes or stock would be given them by Ontario Power Service Corp. for the interest payments waived on June 1 and December 1 in order to provide funds. Abitibi would then have other problems but this is the most pressing. This guarantee is a great danger to the bondholders and the latter even under receivership would have as great an interest in having the project completed in time in order to be rid of possible litigation against Abitibi.

Can be Finished With Money

Abitibi bondholders, creditors for generators and other equipment provided and bankers probably see most hope in Premier Henry, but if Ontario Power Service bondholders do not like the latter's plan and are asked to accept too great a loss they would be sure to take

(Continued on page 2, col. 5)

West Kootenay Interest Covered for Half Year

MONTREAL.—Earnings of West Kootenay Power and Light Co. in the first half of the current year, were sufficient to cover bond interest and preferred dividend requirements by a good margin. Owing to reduced activity on the part of Consolidated Mining and Smelting Co., revenue of the utility company has fallen off considerably but despite this it is understood that charges were well covered.

In 1931, gross earnings were below those of the previous year, but due to reduction in operating expenses net earnings showed an increase at $1,845,971. This was equal to nearly four times interest charges after depreciation. Common share earnings were $7.74.

There was transferred from sinking fund reserve a sum of $1,126,100 and dividends totalling $12 a share were paid, compared with a disbursement of $15 a share in the previous year. The balance sheet showed no bank loans and a working capital of $509,114.

Consolidated Mining and Smelting Co. owns all West Kootenay common stock. Common dividends paid by West Kootenay last year netted the parent company $733,440. Public investment interest in the power company is largely confined to its issue of $6,500,000 of 5 per cent bonds.

'PEG ELECTRIC FACES LOAD IN GUARANTEE

Northwestern Power Default Brings Difficult Position

FORM COMMITTEE

Parent Company at Present Unable to Pay Interest on Guaranteed Issue

From Our Own Correspondent

MONTREAL. — Inability of Northwestern Power Co. to meet the July 1 interest payment on its $10,000,000 of six per cent first mortgage bonds provides an interesting situation. Winnipeg Electric Co., the parent organization, which unconditionally guarantees the Northwestern Power Co. bonds both as to principal and interest, has stated that at present it is not in a position to meet its obligations as guarantor. Consequently, any action which Northwestern Power Co. bondholders may take will likely have a definite bearing on the situation surrounding the parent organization.

Northwestern Power bondholders have formed a protective committee following an informal meeting of a group representing a large percentage of the bonds. The situation is being examined carefully and it is expected that an announcement will be made shortly. Names of the protective committee have not yet been made public.

Ninety Days Grace

There is, however, 90 days grace from July 1, in which interest on the Northwestern Power bonds may be met. The payment totals $300,000 in Canadian funds. Interest, however, is payable both in Canadian and United States funds, which places a substantial premium on the full amount at the present rate of exchange.

Interest due January 1, 1932, was originally paid in Canadian currency only. Following protest, the company in April, 1932, offered bondholders scrip amounting to $5 for each $30 coupon dated January 1, 1932, in settlement of the difference between Canadian and United States funds at that time.

May Take Action

What will develop in the impasse remains to be seen. It is possible that bondholders will again be offered scrip but, on the other hand, they may decide to foreclose or take legal action against the Winnipeg Electric Co. to make good its guarantee of principal and interest.

The parent company, however, has obligations of its own to meet. Mid-year interest on the $5,000,000 of 5 per cent first refunding mortgage bonds was met on July 1 and payment made in United States funds. On October 2, interest on $4,380,000 of 5 per cent refunding mortgage bonds and $7,000,000, 6 per cent refunding mortgage bonds falls due.

Earnings Slightly Lower

Earnings for the first four months of the current year, latest figures available, showed a marginal decline in net earnings. The tramways utility is faced with considerable problems and is budgeting for transportation during 1932, on the lowest number of passengers to be carried for the past two decades.

Indications are that the tramways system will carry approximately 40,000,000 passengers in 1932, the lowest figure to be recorded since 1911. The problems which confront this division of the company's activities, are illustrated clearly by the fact that this year, the tramways will operate 9,000,000 car and bus miles, whereas in 1911 they only had to operate 6,000,000 car miles.

Wage Rates Higher

Further, in 1911, motormen and conductors with three years experience or more, received 29 cents an hour. Today they receive 58 cents an hour. In 1929, the tram-

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AVER OTTAWA READY TO CUT TARIFF RATES

Will Sacrifice Some Duties to Make Conference Success

From Our Own Correspondent

OTTAWA. — Within ten days there will be a series of important announcements in regard to the Imperial Economic Conference. The agenda, it is learned, is practically complete and, when approved by all the governments of the Empire, will be issued to the public. There is, also, a growing list of the experts and advisers who will accompany each delegation. In the case of the United Kingdom, this list already is in the hands of the Federal Government. Publication, however, is likely to be delayed until the list for the various Dominions has been received.

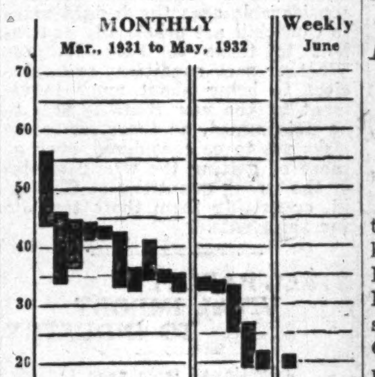
At Ottawa, the various conference committees are putting the final touches to the Canadian case. All representations from Canadian interests must be in within ten days. This will leave a short space of time in which to summarize the conflicting views and to enable the government to reach some general decision as to policy.

May Reduce Tariff

In this regard, the outlook seems somewhat brighter for a successful conference. It is quite true, as stated in The Post last week, that the government has been disappointed in the attitude of Canadian manufacturers, who, as a class, are not willing to make many worth while concessions, in the matter of tariff, to their competitors within the Empire. There has been, however, a far too general tendency to believe that the government will stand by the existing tariff even if in so doing the Conference is prevented from reaching any agreements. There is no basis in fact for such a view and more recent developments here strongly indicate that the government may offer tariff preferences as a basis of bargaining even if the net protection now extended to Canadian industries must be reduced.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of July 5	21.3	19.7
Week of June 28	20.8	19.7
Month of July, 1931	45.8	40.8
8 Bank Stocks		
Week of July 5	149	145
Week of June 28	147	145
Month of July, 1931	231	225
10 Public Utilities		
Week of July 5	38	36
Week of June 28	38	36
Month of July, 1931	72	67

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Dilemma of Debts

The problem of meeting our debts to Britain and United States is a serious one, directly related to the Imperial Economic Conference. Prof. H. A. Innis discusses it. Page 9.

A Way of Life

So farming is and must remain to the vast majority of agriculturists. Some arresting thoughts on the farm crisis. Page 8.

Prosperity, Delusion?

Arnold G. Dana calls American "prosperity" unsound inflation in a book reviewed on page 6.

Bootlegging Gas

High provincial taxes and federal dumping duties create new rackets in evasion. Page 1.

Panics of the Past

Times were hard in the 1870's and Canada had seven lean years. But the nation came through. Page 9.

Palace of the League

Julian Grande describes the palace the League of Nations is building at Geneva. It will cost $7,000,000. Page 3.

British Party

Some of the important secretaries coming to the Imperial Economic Conference are briefly sketched by John A. Stevenson. Page 11.

Jobless Youths

The serious problem of finding jobs faces Canada's young men and women. It is not just a depression problem. A studied analysis of a national problem by two capable authorities. Page 10.

STEEL PARLEY VITAL IMPORT TO INDUSTRY

British Delegates Meet Leading Canadian Producers

From Our Own Correspondent

MONTREAL.—Executives of leading steel companies in Canada representing total assets of some $180,000,000 and delegates from the steel industry in England are conferring in Montreal with a view to paving the way for presentation of a suitable brief at the Imperial Conference. Like a recent delegation of cotton interests from Lancashire, representatives of the British steel trade have come to Canada to go over the situation of complementary production and both sides will hold themselves at the disposal of the Ottawa Conference.

Meetings are held in private and no statements have been made public though some announcement is expected at the close of the present discussions. The British delegation has a policy and many arguments to submit to the Canadian representatives of the steel and iron industry, but the subject matter is being approached in the spirit of co-operation.

Wide Scope for Action

There is wide scope for the basis of discussions and their outcome coupled with any favorable decisions arrived at through the Imperial Conference may have a strong bearing on the outlook for the Canadian steel industry. Already, through the formation of the British Steel Export Association, there has been established a definite policy in England to develop exports to Canada in those shapes and sizes and qualities of steel which are not manufactured in this country.

Much steel of a heavy nature has to be imported into Canada despite the fact that existing plants in the Dominion presently manufacture a wide range. There is a considerable field for diverting Empire iron and steel purchases from their present foreign sources of supply to Empire producers. Delegates from England state that it is with the intention of attempting, in collaboration with Canadian iron and steel industries in the first instance and later at Ottawa with those of other Dominions, to realize an effective policy of this character.

Imports Bulk Large

Some idea of the importance of the steel industry in Canada is gleaned from the fact that imports of iron and steel products in the year ended Dec. 31, 1931 were $116,209,368. This compared with $223,691,315 in the previous year. Imports from the United Kingdom dropped from $18,756,823 to $14,141,978 last year but imports from the United States fell from $195,965,411 in 1930 to $97,126,666 in 1931.

By this it is seen that shipments from the United Kingdom to Canada showed greater stability, fall-

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Thornton Economy Holds Him His Job

From Our Own Correspondent

MONTREAL. — It is not long since the early departure of Sir Henry Thornton from the headquarters scene of Canadian National Railways was forecast. But since his grilling before the committee of the Commons, many radical measures have been introduced on the railway to effect economies. The May showing of the C. N. R. surprised many people. Forecasts have it that the June figures will be better.

Insiders say that the National is now as firm in its economy as it was formerly free in its spending.

That Thornton and the C. N. R. will not be separated is suggested as the probable sequel to the new policies.

BRANT. CORD PLANTS BUSY PRICES LOW

Farmers Get Big Value for Twine Dollar This Year

By Staff Editor

BRANTFORD.—Western farmers will get their binder twine at the lowest price in the past 25 or 30 years, according to manufacturers here.

Brantford Cordage Co., leading binder twine makers, are now working 13 hours a day getting twine out to distribution points in the West to care for the needs of what is expected to be the largest wheat crop since 1928.

Since September last the company has been busy ten hours a day and in recent weeks a thirteen-hour shift has been operating. Since most sales of binder twine are made in July and August the company is now at the peak of operations and the season's business will be practically cleaned up by the time its fiscal year ends on August 31.

Sales volume has been well up to expectations it is learned, but prices for 1932 are drastically below 1931 levels on all qualities. Prices have steadily declined in recent years especially with the advent of Holland twine which has been sold here on a price-cutting basis in recent years.

Since at present prices binder twine for a 400-acre field would only cost between $70 and $80 it is not expected that many farmers will have difficulty in raising the necessary funds to pay for their twine. In this respect the company stands in a better position to sell its products than many other firms whose merchandise, though essential, involves a heavier cash outlay.

What the outcome of the com-

(Continued on page 2, col. 5)

P. Burns & Co. Sell Stores To Sterling Food Markets

From Our Own Correspondent

VANCOUVER. — Thirty-one retail stores of P. Burns & Company have been taken over by Sterling Food Markets, Ltd., of Vancouver. Blake M. Wilson, son of Blake Wilson, vice-president of P. Burns & Company, has resigned as assistant manager of P. Burns & Company to become president and general manager of the Sterling organization.

Directors of the new company are: George A. Martin, president of Gillespie, Hart & Company, Arthur Proctor, C.A., and Blake Wilson.

Because of the change in retail merchandising conditions, P. Burns & Company is retiring from that end of the business in Vancouver. The stores involved are scattered through Vancouver and the lower mainland of British Columbia.

It is understood that in consideration for transfer of these stores Burns & Co. will receive first mortgage debentures and stock and that the debentures will be retained for the security of the Burn's first mortgage bonds. The stores that have been sold have not been particularly satisfactory from the standpoint of profit and have offered some handicaps to the wholesale end of the Burn's business. Assets of the chain principally consist of fixtures since the stores are all on short-term leases.

Sale of the 31 stores took effect on July 4 but does not necessarily indicate a policy by Burns & Co. of withdrawing from the retail merchandising field in other points throughout the West.

WHEAT MART FEELS EFFECT BEAR OMENS

World Shipments at New Low and New Crop Prospects Good

BIG DEAL ON

10,000,000 Bushels of No. 2 Northern Change Hands for Cash — Removes Load

From Our Own Correspondent

WINNIPEG.—Small world shipments, the smallest for a week in many months, less than ten million bushels, has been a bearish factor in the wheat market as the new month opened. The small size of these shipments is an indication of the narrow scale of European buying as the period approaches when new crop wheat will be available in quantity. Germany is talking of the probability of export sales in the early months of the new crop year, under the usual arrangement for rebate of duty on substitute foreign wheat imported later. As the German crop is expected to be considerably larger than last year, early offerings from that country may be of fair size.

Although Russia has been out of the wheat export trade for months, she is threatening, by means of offers for September and October shipments, from new crop winter wheat, to re-enter the situation. It is much too soon after completion of sowing of the spring wheat crop to form any estimate of Russia's exporting ability during coming months, although trade opinion is still against the probability of her having much of a surplus. Nevertheless the offerings, although limited to very small quantities had some effect on general sentiments.

Crop Prospects Depress

Heavy rains in Western Canada, increasing the promise of our crop, have also been a bearish factor. This together with good prospects in the spring wheat belt of the Northwestern states, has offset the small yield of United States winter wheat, now coming on the market in much less than the usual quantity for this time of year, and the very considerable damage to grade and quality that has been done by heavy rains during harvest and threshing in that area.

The most interesting feature of the market as the new month was entered was the delivery through the clearing house of ten million bushels of No. 2 Northern wheat on the July contract, a very heavy quantity, followed by light deliveries on subsequent days. This means that about 40 per cent of the total quantity of that grade in store at the head of the lakes changed hands and was paid for in cash. Frequently heavy deliveries on the opening day of a contract month, especially if followed by heavy deliveries on subsequent days are a sign of weakness in the general situation, but in this case the extent of the deliveries appears to be an encouraging sign.

Interest is Concentrated

The total quantity appear to have been taken by a small number of forwarding and importing firms, who were apparently willing to accept this large quantity of a single grade against their previously made purchases of futures, instead of switching their commitments to the October delivery and taking the chance of having to pay premiums for the delivery of other grades. Two northern has been the principal drag on the market so far as Canadian wheat is concerned, selling consistently at considerably less than its normal relationship to other grades, and with such small sales either to exporters or millers than more than half of the wheat in store has been of this grade.

Holders of the July future who carried in to the first of this month

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Air Pilot Describes Cross-Country Flight

Beauties of Newfoundland from Corner Brook to St. John's as Seen from the Air

By the late A. D. SULLIVAN, formerly of Newfoundland Airways, Ltd.

Perhaps a rough description of a flight from Corner Brook to St. John's would prove of interest to those who know their Newfoundland.

For the sake of those who are not early risers we will leave Corner Brook at nine a.m. We have a nice westerly wind and a fine day, so we "give her the gun" and we are off.

After a short run on the harbor we are in the air climbing steadily to gain sufficient height to clear the surrounding hills. While thus engaged we have plenty of time to take in the sights of Corner Brook from the air, which makes a very interesting scene and the mill itself the complete hive of industry. However we are now high enough at twenty-five hundred feet, so head for Grand Lake which we can easily see from here.

Thickly Wooded

The country between Corner Brook and Grand Lake is thickly wooded and full of small lakes which shine up at us from among the trees which look like thick shrubs. We are now passing over Sir John Glover Island in Grand Lake. This island is well over 20 miles long and is also thickly wooded. The timber belt on the eastern side of Grand Lake does not, at this point, extend back a great distance from the shore and now we are flying over barren country and will be until we arrive at the other side of Red Indian Lake.

Feeling like a guide on a Cook's tour here I point out the Gaff Topsails on the left, and also from here the right of way of the Buchans diversion may be easily seen running down the side of Hinds Lake. A great mistake was made by not completing this diversion, as the benefits of this new route in the winter months can be fully appreciated when both the present old line and the proposed new one can be seen together.

Buchans Thriving Town

Below on our right is Buchans, a thriving mining town, which is well laid out, complete with community heating, tennis courts and a football field. The latter I hope to land on this coming winter. Buchans left behind, Red Indian Lake is now below us, also the main dam on the Exploits River. This structure was originally a cribbed dam, but a few years ago was rebuilt of concrete and raised considerably. It is a good sized dam and wants to be seen to be appreciated.

Off to the left we can see Millertown which, to my mind, from the air in the summer, presents one of the most picturesque scenes in the Island. The roofs are painted in bright colors and the birch trees just complete the picture, not forgetting the lake itself upon the shore of which Millertown is built.

Most Dammed River

The Exploits River which we shall follow to the salt water is, I think, the most dammed river in the country. There is one dam at the start, one above Grand Falls, and one at Bishop's Falls, and of course the power dam at Grand Falls itself. There may be others which I have not seen. After leaving Exploits dam behind we next see on our left Badger, another logging centre of the A. N. D. Co. Soon straight ahead we see Grand Falls, but about five miles out we pass over the company farm and golf links.

Grand Falls itself is well-known to most people, and from the air looks the part of a busy paper town. Still following the river we come to Bishop's Falls, which has a large pulp mill. This pulp is pumped to Grand Falls in a pipe line and there turned into paper. The railway line crosses the Exploits at Bishop's for the first and last time. Straight ahead we can see the mountains around the bottom of Notre Dame Bay and nearly below is Norris Arm where we are going to land to take on more gasoline.

Off to Gander Lake

Consider the gas on board (if it were only as easy). We are off again and set a course for Gander Lake, which we soon pick up and follow its full length. Leaving the Gander we pass over Butts Pond, which is no pond but a good sized lake; then we next pick up Gambo. From Gambo to Northern Bight the country is hilly, uninteresting and indifferently wooded. Leaving Northern Bight we cut out across Trinity Bay, going overland from Green's Hr. to Brigus. This is all bad country, but there are plenty of small lakes in case of a forced landing, of which I had an experience last winter up north.

St. John's Looks Imposing

Like the St. John's motorist who, when he reaches Topsail after a long drive around the Bay figures he is more or less home, so at Brigus I have the same feeling. From Brigus we cross Conception Bay, passing over Bell Island and picking up the mainland again at Portugal Cove, and we head for St. John's. From Portugal Cove to St. John's there are hundreds of lakes of all sizes, and would have to be seen to be believed.

Underneath we now have the capital of the country, and St. John's from the air presents a very important aspect and is laid out with more precision than one would imagine if one has not seen it from the air. The trip is over and we have learned more about the beauties of the country in three and a half hours than we would on the ground in a lifetime, and we are still in time for lunch.

'PEG ELECTRIC FACES LOAD IN GUARANTEE

(Continued from page 1)

ways carried over 61,000,000 passengers, a gain of 21,000,000 in excess of what is expected to be carried this year.

In comparison with 1911, therefore, when a similar number of passengers were carried, the company is faced with an increase of 50 per cent in mileage, and a drop of over 30 per cent in number of passengers carried compared with 1929. Operating cost of the tramways utility approximates $500,000 a year. The company is seeking to reduce its expenses by eliminating certain services which can best be dispensed with. Further, the current year will give full reflection to the fare increase granted in 1931.

The fact remains, however, that Northwestern Power Co. will remain a millstone round the parent company's neck until the existing situation is cleared up or the plants start operating again. It has been closed down since March of this year. Closure was attributed to the shut down of the Pine Falls plant of Manitoba Paper Co.

English Electric Passes Dividend on Class A Shares

Directors of English Electric Co. of Canada have decided to omit the dividend on the Class A shares ordinarily payable July 15. Action taken is due to continued decline in purchase of electrical equipment and uncertain business outlook. Liquid position of the company is stated to be strong.

Dividend of $3 per year has been maintained regularly on the Class A shares since 1928 when the capital structure of the company was reorganized.

B

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The Nation's Business

(Continued from Page One)

interests of primary producers and secondary industries; what he is prepared to offer in return for advantages in other British markets; what he thinks on the subject of a centralized monetary policy for the Empire; whether he believes in bi-lateral Empire treaties or a general ring - around - the - Empire scheme. It is not recorded that Mr. Bennett ever played poker, but in the present instance he is keeping all his cards—and it is to be assumed he has some—well hidden.

* * *

MR. BENNETT'S policy has been to say nothing to the Canadian public. This means that he will have to make tentative agreements at the conference without any adequate discussion among the people for whom he is acting; that he will have to present the Canadian public with a virtual fait accompli that may be generally acceptable or generally repulsive to them; and that he will not know the public reaction to the proposals until long after the conference is over and the delegates have gone back home. In brief, Mr. Bennett is gambling on the public standing behind him in whatever he does at the conference.

It is a large responsibility but Mr. Bennett is not the man to shirk large responsibilities. On May 10 he said in the House of Commons:

> ". . . . . . we will endeavor to the best of our ability to discharge the responsibility that the Canadian people have imposed upon us, and advance reciprocal benefits, if we can, to every part of this empire in order to ensure the harmonious development of the whole and the peace and prosperity of all its peoples."

Thus far and no farther has Mr. Bennett gone in telling the Canadian people what he and his associates will strive for at the midsummer parley. It is not very definite.

* * *

WHAT has been the result of this policy of silence? It has robbed Mr. Bennett of the benefit of a thorough airing of the public's view on the many matters to come up for discussion in the fields of trade, finance, communications and migration. True, there has been no shortage of gratuitous advice; no shortage of briefs; no shortage of public speeches and editorial comment. The Imperial Conference has been the one subject constantly on the minds of the Canadian people and they have spoken their views freely. But these views lack the quality of direct application to the probable governmental policies. The leaders of opinion in the country have not been able to discuss intelligently the Canadian position at the conference because that position, as it will be outlined to the delegates by the prime minister of Canada, has not been revealed in the slightest detail to the country at large.

It may be that Mr. Bennett has frankly desired to keep discussion and argument about Canadian policies to the minimum in order that it might appear to the British and other delegates that what he may say has the complete backing of public opinion. Or it may be that the government has yet to work out any such policy and if there is no policy there obviously can be no declaration of a policy.

* * *

WHATEVER the reasons for the rule of secrecy there has been no effort by the government to pave the way for public acceptance of whatever policies Canada may stand for at the conference. Mr. Bennett and his government are apparently prepared to stand or fall by their accomplishments this summer. This is in the best theoretical traditions of responsible government but it is carrying those theories to an extreme.

Mr. Bennett has a very favorable opinion of his ability to look after the interests of the country and he is ready to let responsible government assume its responsibilities. Our system of government has given him an almost arbitrary power that he proposes to exercize until it is taken away from him. In Mr. Bennett's mind the only danger in such a policy is the danger to himself and his party and he is apparently worrying little about that.

* * *

UNDER the circumstances, Canadians can do little more than suck their thumbs while the conference proceeds and the economic fate of the nation is discussed. They have entrusted themselves to Mr. Bennett and they will wish him the clarity of vision, the resolution of mind and the economic understanding to make the outcome a happy one. No one wastes time urging upon the prime minister integrity of purpose. Whatever charges have been levelled at Mr. Bennett he has never been accused of lacking an intense ideal of service to his country and complete honesty in policy.

If lack of preparation or lack of policy ruins Canada's hopes at Ottawa, no one will be more surprised than the prime minister himself.

League of Nations Builds Palace

IT IS a magnificent palace that the League of Nations is erecting at Geneva to house its many activities. But the cost of erecting and maintaining this gigantic structure will fall upon the countries that are members of the League, including Canada. The total cost as is indicated in an article in this issue by Julian Grande, an accredited correspondent at Geneva, is £1,400,000, which is a great deal of money to spend at a time when every nation in the world is striving to balance its budget, and when taxes are rising at a remarkably rapid rate, not only in Canada, but throughout the whole world.

Some day, Canada will have to face the question of whether or not it can afford its large annual contributions to the League. Year by year, Canada's contribution and its other expenses in connection with the League of Nations have been rising. In the fiscal year 1929, the League of Nations cost the Dominion Government $216,507 apart from any increase in the salary and rent bill at Ottawa in connection with the work of the League; in 1930, $215,476; and in 1931, $251,694. By the time the League has entered its new palace the expense will undoubtedly be very much higher.

Recently, the British demand that salaries of League officials be cut was strongly resisted by the secretariat and it was not until many bitter words had been passed across the council table that an investigation into the possibility of economy was undertaken.

Salaries account for 59 per cent of the total League budget. A first-class secretary typist draws about $4,400 yearly while English and French interpreters receive slightly more. The messenger boys average about $1,500.

If there were any likelihood of the League of Nations accomplishing any of its proposed objectives, the investment would be worthwhile even for debt-ridden Canada. But the League seems to be degenerating from a high moral theory to a job-holders' paradise.

WHEAT MART FEELS EFFECT BEAR OMENS

(Continued from page 1)

were well assured that they would have two Northern delivered to them by the elevator interests which had been carrying the cash grain against sales of the futures. The fact that exporting houses and houses with exporting connections were willing to take on such a large load is taken as indicating that they know where it can be disposed. At all events it appears to have gone into strong hands, and a certain load has been taken off the market on that account. Previously there had been a good deal of switching of hedges to October, and the general impression had been that deliveries through the clearing house would actually be fairly light.

The market is not paying much attention to the possibility which undoubtedly still exists, of very heavy losses in the northwestern states, and corresponding, although smaller losses, in Canada, and particularly in Manitoba, from grasshoppers. Throughout the grasshopper infested area, which covers a very large part of the United States spring wheat belt, there are undoubtedly myriads of these pests, capable of enormous destruction if they turn their attention from the grass land in which they are now principally found, to the crops. Similar damage can also occur in Western Canada, and especially in Southern Manitoba, although the poisoning campaign in this country has been much more effective than that south of the border. Should weather and other conditions be such as to encourage a large scale attack on wheat it is possible that the destruction south of the border will be many times that to be experienced in this country. An upward price movement, based on grasshopper damage, if and when it appears on a large scale, will remain a possibility for several weeks.

Marketing of wheat by farmers in Western Canada continued to be fairly heavy up to the close of June, and then dropped suddenly, due to the discontinuance of the bonus payment of five cents a bushel by the Dominion Government.

Country elevator owners are now pressing grain forward to the terminals in order to clear the way for new crop.

Churchill Rates Not Disclosed

Two million bushels of wheat are now in store at Churchill, awaiting export movement understood to have been arranged for by the export house which has undertaken to export grain this year by that route. The actual freight rate effective on the shipments in question, together with the price basis actually applied to the purchase of wheat at Churchill for export movement will probably remain trade secrets for some time. But statements have appeared to the effect that a rate of eight cents a bushel is effective, or, with insurance, nine cents, as compared with an actual freight and insurance cost from Montreal of four and three-quarters cents.

The difference would be practically equivalent to the cost of moving grain from the head of the lakes to Montreal at the present low rates in effect for lake freights, but the Churchill route would have an advantage at present because the Dominion Government is absorbing elevator handling and storage costs at Churchill. From a considerable area the freight rates to Churchill are practically equivalent to those to Fort William. Whether such conditions are sufficient to bring about much movement by the new route is still to be determined, as there are some risks yet to be considered, such as those of getting the wrong grades or the wrong quantities at Churchill, or getting them there too late for shipments.

STEEL PARLEY VITAL IMPORT TO INDUSTRY

(Continued from page 1)

ing only 25 per cent compared with a decline of 50 per cent in imports from the United States.

Exports Fell Away

Total exports from Canada of iron and its products last year amounted to $19,086,492 compared with $47,565,000 in the previous year. It is interesting to note, however, that exports to the United Kingdom were again off some 25 per cent while exports to the United States fell by 50 per cent. These two countries only take about 30 per cent of total Canadian steel and iron exports; the greater portion finds its way to countries which are less developed industrially.

The stability of exports to the British market may be taken as an indication of the potentialities which the forthcoming conference holds for the steel and iron industry. Steel plants in the Dominion are slack; any benefits which might arise from the working out of further complementary production and inter-Empire trade would likely find a fairly quick reflection in the industry's activity.

Wide Interest Apparent

The Canadian firms which are represented at the current meetings include Algoma Steel Corp., Steel Co. of Canada, Page-Hersey Tubes, Dominion Steel and Coal Corp., Dominion Foundries and Steel, Canadian Tube and Steel Products, Dominion Wire Rope Co. and Anglo-Canadian Wire Rope Co.

The visiting delegates from England are: A. J. Grant, president of the National Federation of Iron and Steel Manufacturers, and a director of John Brown and Company, of Sheffield; Sir William Larke, a director of the National Federation of Iron and Steel Manufacturers; Sir Edgar Jones, representing the tinplate industry; Geoffrey Summers, representing the sheet industry; Gavin Stewart, representing the tube industry and the firm of Stewart and Lloyds; Fred Smith, representing wire and wire products' industries, and Julian I. Piggott, manager of the British Steel Export Association.

BRANT. CORD PLANTS BUSY PRICES LOW

(Continued from page 1)

pany's year from a profit viewpoint will be, it is impossible to forecast at the present time. Low prices will offset the prospect of substantial earnings but on the other hand heavy volume of sales would go far toward meeting all charges and giving the company a surplus from the year's operations. The fact that fewer combines will be used this year will also tend to increase sales volume.

Net earnings of the company dropped last year to $21,000 as against $349,000 the previous year and $416,000 in 1929. The company has paid an 8 per cent dividend regularly on its first preferred shares and since November, 1930, has paid 7 per cent on its second preferred. Surplus now stands at $957,000 as compared with total assets of $4,450,000.

First preferred shares were first offered to the public in March, 1925, at $25 a share and are currently quoted at $18. Few shares have weathered the depression as well as this issue which has never fallen below $15 per share. Its all-time high was $28 in 1925.

ONT. POWER SERVICE BONDHOLDERS NEGLECT FORMING COMMITTEE

(Continued from page 1)

full advantage of their rights if the project were not completed by October 1 whether the province takes over or not.

Granted the necessary funds, the project can be completed by October 1. Work to date has been carried on well within the original estimates and it is right up to date. The dam is practically complete and the powerhouse 75 per cent finished. No. 1 and 2 water wheels have been installed and the third water wheel is being put in place. Work is proceeding on the installation of a couple of generators, each generating unit being capable of generating 55,000 horsepower. Five generators will be eventually installed but it is not necessary to have more than two or three installed by October 1. The pennstocks are all in; on June 12 the gates of the dewaterin tunnels were closed and the water turned on the dam. Reports indicate the test has been eminently satisfactory except that there will have to be some tightening up of the gates, which is a minor matter.

Bank Loans Lowered $2,500,000

The principal obstacle to an arrangement such as suggested may prove to be the company's bankers which might object in the present state of the newsprint industry to have any cash subtracted from Abitibi Power & Paper Company's assets, even though ticketed under solvency conditions for bond interest, because of general uncertainty for the future. The fact that bank loans have been brought down from $4,500,000 at the end of 1930 to $2,130,000 on April 30, 1932, is not in itself sufficient assurance because the company stopped woods operations and has been liquidating its wood piles.

In the period when these wood piles are within measurable distance of being used up, wood piles will have to be built up again. It is understood that orders have already gone out that wood back in the timber reserves of the company shall be sent down the rivers and creeks to the mill at Sault Ste. Marie. This is understood to be a precaution taken so that the company will not be caught napping if there should come a quickening in demand for newsprint when wood-piles get slim.

Sooner or later banks will have to finance woods operations. These will be much less costly than in 1929 and 1930 but it will be an added cost not now met. The question of whether bond interest will be earned when the company has to get new wood will arise probably in 1933. In the meantime it can liquidate considerable indebtedness through the suspension of woods operations, and each problem must be met as it arises.

Passed Bond Interest

Although Montreal Trust Co. is understood to have had sufficient money to pay interest on the $20,000,000 5½ per cent bonds of the Ontario Power Service Corp., it was decided not to pay interest on the bonds due July 1 in view of the negotiations with the Ontario Government looking to the acquisition of the property of the company by or for the province. These negotiations are still proceeding, but until a more definite announcement comes from Premier Henry the trust company did not feel that it could act as though certain that sufficient funds would be provided by the government to complete the Abitibi Canyon development. Completion by October is regarded as more in the interest of bondholders than payment of interest.

A protective bondholders' committee is likely to be formed unless the government plan is announced soon. But for financial difficulties and anxieties in the United States it is understood that the securing of money for completing the project from New York would not have been a difficult matter. The advantages of securing completion of the enterprise with United States money which would have a ten to twelve per cent premium in Canada, have not been overlooked but Abitibi Power is understood to have dealt only with the Ontario Government, and to have relied on the evident anxiety at Queen's Park to have the matter settled some way.

Abitibi Awaits Plan

It is understood that Montreal interests have not been altogether oblivious to the possibilities of the situation. The strong alliance between the Ontario Government and the Ontario Hydro Electric Power Commission and the avowed objective to have the latter dominate throughout Ontario has to date caused hesitation in these other quarters to project themselves into the situation.

Ontario Power Service Co. will have two months before its passing of interest will be regarded as a technical default. Abitibi Power & Paper Co. cannot pay the interest on its own bonds until the matter of Ontario Power Service Corp. is cleared up.

Whether or not Ontario Power Service Corp. goes into default, Abitibi Power & Paper cannot regard itself as free from the matter until completion is financed. If that is assured, bond interest, it is expected, could be paid. If that completion is not assured by August 1, when default on its bond issue would be complete, it is believed that Abitibi Power & Paper would pass into receivership rather than attempt to meet the claim without financial or banking assistance from outside.

TAX EVASION LEADS TO DROP GASOLINE PRICE

(Continued from page 1)

public in lower prices. The latter tendency has brought about the price reduction.

Tardiness in collection by some of the provinces has tended also to leave tax funds for months in some instances in hands of service station proprietors, and in quite a number of cases bankruptcy has occurred too soon to permit of collection. In such cases the province would rank only as a creditor of the business and it would lose.

Beating the Dumping Duty

In the import field the dumping clause for many companies has become practically inoperative due to the practice adopted by United States companies with Canadian connections of billing their gasoline right up to the amount set forth by the Canadian customs as the reasonable price at place of origin so that the dumping clause does not operate and only the duty of 2½ cents a gallon is collected. For instance, if imported gasoline can be bought at 6½ cents a gallon wholesale in one district of origin while the Dominion customs sets forth the right and proper price in that district at 8 cents a gallon, the Canadian subsidiary would import at 8 cents a gallon and pay 2½ cents a gallon duty.

At that price it would lose on the prices charged the public but the United States parent company would make 1½ cents a gallon extra so that the profit on one side of the line would offset the loss in Canada. If the gasoline had been billed at 6½ cents a gallon (this price being only mentioned for illustrative purposes), the Canadian customs would add 1½ cents a gallon to the duty, which would thus become 4 cents a gallon, and the United States company would have no countervailing profit.

Beating Law by Observing It

This device has the merit that it observes the law to the letter even though it defeats the object for which the dumping regulations were promulgated. It is understood that the Canadian customs has been giving close attention to this phase of the gasoline imports in order to see if there is not some way of preventing this practical negativing of the law by companies which entirely own their Canadian subsidiaries. At the same time it is feared that the situation may lead to connivance between United States exporters and Canadian importers who have no fiscal connections. That would be illegal but hard to discover.

The action by Canadian companies in lowering the sales price of gasoline to the general public apparently sacrifices their profit margin, judging by the representations made at Ottawa. It is true that crude petroleum has shown a considerable drop as compared with two years ago but recently prices have been firmer. The new United States excise taxes have added one cent a gallon to gasoline exported to Canada as well as to benzol and any other liquid the chief use of which is as a fuel for the propulsion of motor vehicles, motor boats or airplanes. A tax of four cents a gallon on lubricating oils has also been levied in the United States. The aid given to Canadian producers by these foreign taxes is negatived in part by increased taxation on crude in the United States.

Cutting Profit Margins

Eliminating the provincial gasoline taxes and taking for convenience the price of gasoline to the consumer in Toronto, the price charged to the consumer is two cents a gallon less than two years ago. On January 1, 1930, the price was 23 cents a gallon and on July 1, 1932, 21 cents a gallon. On January 1, 1930, the cost of crude petroleum at the well was $1.45 a barrel and this was raised by sales tax to $1.49 a barrel. In the meantime price of crude at the well has declined to 92 cents a barrel and has been lower, but the new excise taxes, a trebled sales tax and 15 per cent exchange has brought the equivalent price to $1.35 a barrel.

It should be stated that the price of 21 cents a gallon refers to the heavily leaded gasolines popular in Canada. The gasolines produced and sold in greatest quantities in the United States are of inferior quality.

Changed into imperial gallons these figures mean that in the two years under review the cost of crude has dropped from 4.26 cents a gallon on the outset of 1930 to 3.85 cents a gallon on July 1, 1932. In other words, the drop of .41 cents a gallon in the cost of crude in this period has been accompanied by a drop of two cents a gallon in price of gasoline, which now makes it necessary for the companies to absorb the difference of 1.59 cents a gallon somewhere along the line. To July 1 the difference was .59 cents a gallon. In 1930 profits of the principal operator were shown to be about one cent a gallon over the whole year and this was about true for 1931 as well. Therefore the present prices are evidently intended to make it harder for the tax evader and the importer to make money.

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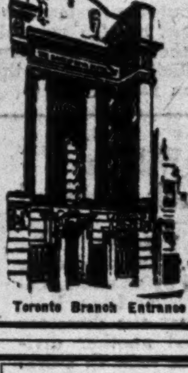

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BRIT. AND FOREIGN CLOSES PERIOD WITH SURPLUS

Security Values Record Sharp Shrinkage in Year

From Our Own Correspondent

MONTREAL.—Gross revenue of British and Foreign Investments, Ltd., in the fiscal year ended April 30, 1932, was $35,524 compared with $45,261 in the previous year. After deduction of interest on loans, expenses and income tax, there remained a net profit of $5,271 which was sufficient to cover one-quarterly disbursement on the preferred stock, leaving a surplus for the year of $1,144.

In the previous year, four quarterly disbursements were paid on the preferred shares, and a dividend of 50 cents a share was paid on the common resulting in a deficit of $678 after the transference of certain sums from reserve and surplus. No dividends were paid on the common stock in the last fiscal year and preferred payments have been deferred since July 1, 1931.

Profit And Loss Figures

Following is a comparison of profit and loss for the past two fiscal years ended April 30:

	1932	1931
Gross revenue	$35,524	$45,261
Less: Int. on loans	19,950	18,245
Expenses	7,844	8,263
Income tax	1,459	1,113
Net profit	5,271	17,640
Add: Trans. from res.	......	16,507
Trans. from surp.	......	6,681
Less: Preferred divds.	4,127	16,506
Common divds.	......	25,000
Surplus for year	1,144	*678
Less: Prev. deficit	678	
Balance forward	466	

*Deficit.

Security Values Shrink

Shrinkage of security values is reflected in the balance sheet. The company's investments in marketable securities at cost are carried at $692,364, but market value at the end of the year was $144,636. This is in marked contrast to the previous balance sheet which showed book value of investments at $829,890 and a market value slightly higher at $831,480.

An investment in stock of a subsidiary company is carried at $393,771, unchanged from the previous year, and a note receivable is shown at $85,000. Auditors point out that they are unable to say as to the value of the investment in the stock of the subsidiary company and of the note receivable. Investment in subsidiary represents the cost of Canadian oil and coal holdings, represented by about six sevenths of the capital of Royalties Oil and Share Corp. In addition to its oil leases, this subsidiary owns shares in various oil and coal companies.

Bank Loans Reduced

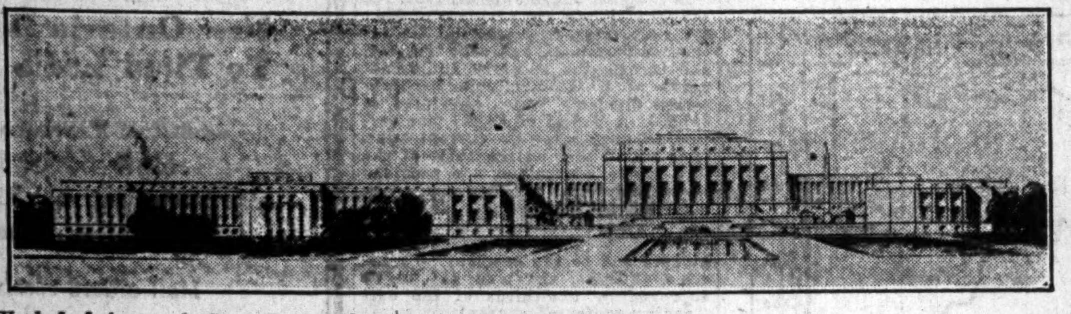
In liabilities bank loans have been reduced from $246,000 to $90,268 and accounts payable, including reserve for income tax, are shown at $1,864. Capital structure is unchanged at $330,150 of five per cent cumulative preferred stock, par value $50 and 50,000 shares of no par common stock, which is carried out at $750,000 in the balance sheet.

Total assets are $1,172,749 compared with $1,327,404 at the end of the previous fiscal year. The balance sheet also shows a contingent liability of $5,102 in respect of a note receivable on the discount.

W. H. Burgess Heads Toronto Insurance Institute

W. H. Burgess of the Canadian Surety Company was elected president of the Insurance Institute of Toronto recently. Other officers elected: Honorary president, A. W. Goddard, Canadian Fire Underwriters' Association; vice-president, L. K. File, Canada Life Assurance Company; secretary-treasurer, Clifford Elvins, Imperial Life Assurance Company; librarian, R. Foster Smith, Liverpool and London and Globe Insurance Company.

League of Nation's Palace Costs $7,000,000



Work is being rushed on the new building to house the League of Nations at Geneva. A general view of the palace, as it will appear when finished, is shown above. Julian Grande, in the accompanying article, states that the structure will cost $7,000,000.

AGENT'S SIGNATURE RULED SUFFICIENT

Payment on Cheque Payable to Firm and Signed by Agent is Upheld

Failure to restrain a bank from cashing cheques payable to a company on the endorsement of an agent of that company, constitutes an admission on the part of the company that the agent is authorized to cash these items, according to a judgment handed down in the Quebec Supreme Court by Chief Justice Greenshields, in dismissing a claim against the Banque Canadienne Nationale. The decision arose in a case brought by the Norwich Union Fire Insurance Society against the bank claiming the return of $7,664 paid by the bank to the insurance company's Chicoutimi agent and which was never paid over to the insurance company.

Evidence was brought by the bank that money had been regularly paid to the agent of the insurance company on cheques payable to the company and no complaint had been received from the insurance company. The bank contended that by its attitude toward the bank the company had allowed the latter to understand that its Chicoutimi agent could properly endorse its cheques.

It was further brought out in the evidence that the company's agent was authorized to collect premiums and issue receipts and Chief Justice Greenshields commented that this authority included the right to endorse cheques for the purpose of making collections.

Dom. Alloy Steel Corp. Will Import From Britain

Dominion Alloy Steel Corp. of Sarnia, Ont., according to an announcement by Wm. B. Boyd, president and general manager, will in future import Armco ingot iron sheets from the Armco plant in England. These sheets will be galvanized at the Sarnia plant of Dominion Alloy Steel, and will be used in making the products of Canada Ingot Iron Co., manufacturers of Armco corrugated pipe at Sherbrooke, P.Q.; Guelph, Ont.; Winnipeg, Man.; Regina, Sask.; Edmonton, Alta.; and Vancouver, B.C. The Sarnia plant of Dominion Alloy Steel will also galvanize other grades of Armco sheets secured from the Shotten, England, mill of John Summers & Sons, Ltd., for the entire Canadian metal trade.

The Dominion Alloy Steel Corp., during the last four years has depended almost entirely on the United States for source of supply of black sheets for galvanizing purposes, but by the arrangement referred to 15,000 tons of its purchases will be obtained annually in the United Kingdom in future.

Metal Prices

New York—July 5—
Copper: Electrolytic spot, 5¼c. lb.
London—July 5—
(Long Ton)
Copper: Electrolytic spot, £30 10s; future, £31 10s.
Standard spot, £26 15s; future, £26 2s 6d.
Tin: Spot, £122 15s; future, £124 7s 6d.
Lead: Spot, £10 5s; future, £10 12s 6d.
Zinc: Spot, £11 15s; future, £12 5s.
Silver: 16⅛d. per ounce.

Depression Does Not Halt League's Geneva Palace

Magnificent Structure Rises to House League—Costs £1,400,000 and Gives Jobs to Swiss, French and German Members

By JULIAN GRANDE

GENEVA.—Despite the economic crisis in the world, the building of the League of Nations' palace, which is estimated to cost thirty-five million gold francs (£1,400,000 at parity), is at last making rapid progress and is expected to be finished by September, 1934. In reaching even its present stage it has had to pass through numerous vicissitudes; indeed, at one time it was thought that the whole scheme would have to be abandoned. The foundation stone was laid in September, 1929, and for at least two years this stone remained solitary and was even lost sight of in the clay soil. In fact, it was rumored that some enterprising thieves had tunneled under the stone and removed the gold and silver coins representing the currencies of 52 states and the various documents that were deposited beneath the stone. It is reassuring, however, to know that there was no truth in these tales.

Architect's Disagree

Like all public undertakings, the building of the League palace has been subjected to severe criticism. The five architects belong to four different nations, French, Swiss, Italian and Hungarian. As was to be expected at Geneva, there was not always complete concord among them; but to compare these architects to the builders of the Tower of Babel, as was frequently done, was to exaggerate unduly whatever disagreements there may have been.

As result of the competition among the world architects, no less than 377 plans were submitted. The jury of nine world-famed architects found not one of the plans exactly suitable. As is often the case, the experts could not see the forest for the abundance of trees of their technical knowledge. A strange but, as it happened, a satisfactory solution, was found in appointing five international diplomats to decide this question of architectural taste and suitability. The plan finally chosen was the one illustrated in an adjoining column which was the outcome of collaboration between five of the competing architects, who are now responsible for carrying it out.

Inland From Lake

The site for the palace was originally intended to be on the shores of the Lake of Geneva, in a magnificent park, but there was not sufficient ground without appropriating the adjoining property of an English lady, who declined to sacrifice her beautiful home of many years standing even for the sake of the League of Nations. It was a case of a woman's will (an Englishwoman's will, to boot) against the statesmen of the world represented in the League of Nations; and the woman won. The site of the palace was therefore fixed further inland and the park on the border of the lake is still regarded, as one of the architects said to me, as Paradise Lost. The palace will, however, be surrounded by an extensive park, and in the foreground a magnificent terrace is planned with even an artificial lake in the centre.

The façade of the building is one-third of a mile from end to end and the whole palace covers a surface of approximately 18,500 square meters. The great assembly hall, which will seat, 2,000 persons, occupies the centre of the building. In the press gallery there will be accommodation for 600 journalists. On the left are the council hall and the offices of the secretariat, and on the right the library. A special commission was sent to London to study acoustics in various public buildings. The ventilating system for the assembly hall and committee rooms will be of the most perfect and up-to-date type and cost one and a half million gold francs.

Rockefeller Gives Library

The library, which will cost five million gold francs to build, will accommodate one million volumes. This library is the gift of Mr. Rockefeller, with another five million gold francs for endowment. A tunnel 500 feet long runs from the library to the rest of the building, by means of which volumes can be conveyed on electric-run trucks. A cinematograph theatre is also underground, for the display of films dealing with the work of the League and international affairs in general. Two restaurants are provided, one large enough to accommodate two hundred people.

The secretariat contains six hundred offices all alike. The hall for the journalists is equipped with telegraph and telephones affording the most rapid communication with all the capitals of Europe. The roof of the palace may be suitable for the landing and taking off of airplanes.

Europeans Get Jobs

The building contract has been given to an international group consisting of one Italian, two Swiss and one French firm, who among themselves formed a syndicate. A thousand workmen are employed in the building work, 20 per cent of whom are Italian masons, about 15 per cent German and French, and the rest Swiss. So far only one contract (720,000 gold francs), for equipment and fittings, has been given to a British firm, this being for the internal installation of the book store, and it was only obtained through the depreciation in the pound sterling, which caused the British estimate to be considerably lower than others submitted.

SUGAR PRODUCTION RECORDS DECREASE

Output and Shipments Both Show Drop Compared With Last Year

From Our Own Correspondent

MONTREAL.—A slight slowing up in activity of Canadian sugar refiners is revealed in Government statistics covering operations from the beginning of the year to June 18. In that period there were manufactured 273,800,533 pounds of sugar, compared with 311,551,974 pounds manufactured in the same period in the previous year. Total shipments in the same time were lower by about 46,000,000 pounds at 324,843,992 pounds.

During the period under review receipts of raw sugar were slightly lower and raw stocks on hand at June 18 were down 1,000,000 pounds at 122,424,714 pounds. Stocks of refined sugar on hand at the end of the period, however, showed a gain of over 46,000,000 pounds at 123,941,621 pounds.

In the past four weeks ended June 18, manufacturing operations resulted in production of 73,721,634 pounds of sugar, an increase of some 4,000,000 pounds, but total shipments were lower by 10,000,000 pounds at 61,282,794 pounds.

For the five months ended May, 1932, figures show that imports of raw sugar were lower by some 39,000,000 pounds at 268,411,800 pounds. In the same period, however, imports of refined sugar dropped from 2,521,500 pounds in the first five months of 1931 to 957,500 pounds this year.

Exports continue at a negligible rate. Shipments out of Canada in May were lower and for the first five months of the year totalled 2,750,200 pounds, compared with 4,589,500 pounds in the same period in 1931.

Dominion Steel Corp. Resumes Work at Sydney

From Our Own Correspondent

MONTREAL—Operations of Dominion Steel and Coal Corp. in Sydney have been resumed, and it is expected that activity will be maintained for the next month. Production will comprise replenishment of depleted wire, billet rods and nail stocks. Work will be given to 400 additional employees, bringing the total working force up to 800 men.

Reports from Newfoundland state that 1,200 miners employed by Dominion Steel and Coal Corp. at the Wabana properties on Bell Island have gone on strike in protest against a pay cut of 3½ cents an hour. These mines have been operated on a two-day basis for the past few months.

Dominion Steel and Coal Corp. has announced that the proposed reduction in wages at the Bell Island Iron Mines will be deferred until August 1, and miners who have gone on strike are being urged to return to work.

CANADIAN I. P. PROFITS COVERED CHARGES IN 1931

Net Sales Lower But Bond Interest Well Earned in Year

From Our Own Correspondent

MONTREAL.—Net sales of Canadian International Paper Co. in 1931 totalled $25,493,739 compared with $32,199,754 in the previous year, according to preliminary figures released by the company. Full details of profit and loss and balance sheet position are not yet available, but figures made public indicate a net revenue, including other income of $789,799, of $4,530,869. This compares with $5,612,082 in 1930.

After depreciation of $1,116,560, a reduction of $411,000 from 1930, all charges were covered leaving a surplus of $755,900 for the year, against a surplus of $1,859,745 at the end of 1930. Present figures do not indicate whether a dividend was paid on the capital stock.

Following are comparative figures on profit and loss:

	1931 $	1930 $
Sales (net)	25,493,739	32,199,754
Profit on exchange	789,799	......
Net rev., incl. other income	4,530,869	5,612,082
Less:		
Int. on 1st mort. bds. & prior liens	1,531,499	1,561,239
Other int., amort. of disc., etc.	1,126,910	1,185,441
Depreciation	1,116,560	1,527,876
Plus: Non-recurring items (net)	......	522,219
Balance added to surp.	755,900	1,859,745

Earnings of New Brunswick International Paper Co. and International Power and Paper Co., Newfoundland, are not included in either the 1930 or 1931 figures, since Canadian International Paper acquired those companies as of December 31, 1931. Their acquisition, however, is reflected in the consolidated balance sheet as at the end of last year.

Assets Consolidated

At the end of the year consolidated current assets amounted to $28,404,270 or over three times consolidated current liabilities of $7,718,161. Working capital of consolidated companies at the end of last year was $20,686,109 which compares with $17,549,232 at the end of 1930.

Included in current liabilities are bank loans of Canadian International Paper Co. amounting to $660,625 and bank loans of subsidiaries totalling $4,450,000.

Not included in current liabilities are amounts due to International Paper Co. and other affiliated companies to a net amount of $465,873.

With the two mills of the recently acquired New Brunswick and Newfoundland companies, and its own two mills at Gatineau and Three Rivers, Canadian International Paper Co. is now the world's largest producer of newsprint paper. Combined average output of the four mills for each operating day during 1931 amounted to 2,517 tons and the potential daily output of the present paper machines is estimated at more than 2,800 tons.

Suspends Operations Due to Tax Increase

From Our Own Correspondent

VANCOUVER.—Owing to the increased taxation of fuel oil and the general slump in business, B. C. Pulp & Paper Company has suspended operations at its Port Alice and Woodfibre mills, Vancouver Island.

President Lawrence Killam explained that the company would probably resume the manufacture of sulphite pulp early in the fall. The tax of half a cent per gallon has been a severe strain on the industry, said Mr. Killam. His company consumed about 500 gallons daily.

The provincial government enforced collection of the tax early in July, although there has always been some question as to whether the impost was constitutional. Other pulp and paper mills in British Columbia will be affected, although not to such an extent.

Macdonald Tobacco Cuts Capital Structure

From Our Own Correspondent

MONTREAL.—W. C. Macdonald, Inc., tobacco and cigarette manufacturer, has been granted permission to reduce its capital by one third. Former capitalization comprised 10,000 6 per cent preferred shares of par value $100 and 20,000 common shares of a par value of $100; or a total capitalization of $3,000,000. The new structure will comprise 20,000 shares of $100 par value each. All preferred shares will be cancelled.

Obituaries

H. H. Eager, general manager of Sherwin-Williams Co. of Canada for Western Canada, died in Winnipeg June 22. Mr. Eager was in charge of territory from Fort William to the Pacific coast and had held that position since 1919.

Canadian Industries Maintains Payments

From Our Own Correspondent

MONTREAL.—Dividends and bonuses on the common stock of Canadian Industries, Ltd., have been maintained to date on a parity with disbursements made last year. The second regular dividend of 62½ cents a share carried with it an extra dividend of 50 cents a share. This brought total disbursements for the first half of the current year to $1.25 regular and 75 cents extra or $2 in all, the same as in the corresponding period of 1931.

In 1931, the total disbursement on the common stock was $2.50 regular and $2 extra, making a total for the year of $4.50 a share.

Fraser Bondholders' Meeting Adjourned

From Our Own Correspondent

MONTREAL.—Lack of a quorum necessitated adjournment of Fraser Companies first mortgage bondholders meeting held on July 5. The meeting has been postponed until July 27 in accordance with the terms of the trust deed.

There are outstanding $8,202,000 of 6 per cent first mortgage bonds. Under the plan of reorganization for Fraser Companies, holders of these bonds are asked to exchange them for new 6 per cent bonds, par for par.

Interest on the new bonds, from January 1, 1932, will be suspended for the first two years and will be payable in five annual installments beginning July 1, 1937. Of the new bonds there will be authorized $15,000,000 of which approximately $2,800,000 will be issued as security for current indebtedness.

Trade Treaty Helps Lumber

Premier Tolmie of British Columbia recently pointed out that the Australian trade treaty had given to British Columbia about 98 per cent of that country's lumber trade as compared with about 28 per cent prior to the preference. This increase has been at the expense of United States mills.

CONFIDENCE

A bank, like an individual, gains strength and commands confidence through years of experience. Throughout the past 63 years, with their successive booms and depressions, The Royal Bank of Canada has made steady progress to established strength and has long been recognized as one of the great banks of the world. It serves all Canada.

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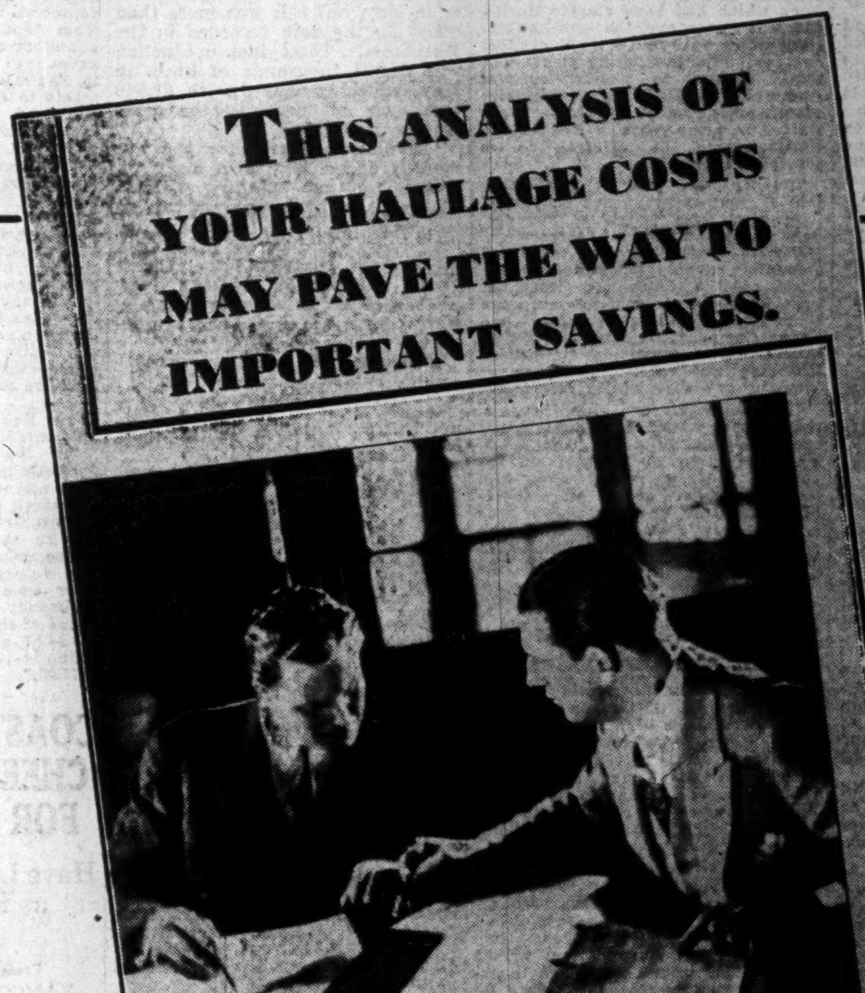
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Utilities and Transportation

INTERNAT. POWER INCOME HIGHER FOR PAST YEAR

Covers Dividends Paid on Preferred Stock During Year

FIRST QUARTER GAIN

Controlled Companies Still Lack Working Capital — No Permanent Financing Effected

From Our Own Correspondent

MONTREAL.—Gross earnings of companies controlled by International Power Co. in 1931 amounted to $4,682,241 an increase of $103,623 over figures for the previous year. Net earnings, before interest and depreciation, were $2,329,913 an increase of $201,948.

International Power Co.'s income for the year also increased, being $1,215,667 compared with $1,099,083 in 1930. Net income, after deducting miscellaneous expenses and interest, was $888,463 a gain of about $10,000. This was sufficient to cover full requirements on the preferred stock of $560,000. During the year, however, dividends were deferred and after payment of three quarterly dividends there remained a surplus of $148,827 at the end of the year from which was deducted $100,000 as discount on securities.

Profit and Loss Account

Following is a comparison of profit and loss figures of International Power for 1931:

	1931 $	1930 $	1929 $
Div. & int. from controlled co., & misc. inc.	1,215,667	1,099,083	962,299
Misc. exp. & int.	327,204	220,320	77,632
Net income	888,463	878,763	884,667
Deb. int.	*319,636	315,000	283,797
Balance	568,827	563,763	600.870
1st pref. div.	‡420,000	560.000	560,000
Surplus	148,827	3,763	40,870
Prev. surp.	243,473	239,710	198,840
Balance	392,300	243,473	239,710
W.-O. dis. on secs.	100,000	......	......
P. & P. surp.	293,300	243,473	239,710

*Including exchange.
‡To Oct. 1, 1931.

First Quarter Gain

The annual statement also contains a statement of profit and loss for the first three months of the current year. Gross earnings of controlled companies in that period were $1,135,966 a decrease of $35,010. Operating expenses were reduced and net earnings were up $34,777 at $576,321.

The balance sheet at the year end shows investments in controlled companies at $12,296,056 an increase of $586,000. Advances are up $300,000 at $9,327,601 and cash totals $44,146 compared with $404,224.

In liabilities bank loans have been reduced $500,000 to $3,500,000 and accounts payable have dropped from $412,597 to $48,028. There is an item of $1,167,865 representing bills payable which are secured by $1,100,000 6 per cent collateral gold notes due June 1, 1932. Since replaced by $900,000 due June 1, 1933. Securities in the hands of the public are unchanged. The balance sheet also shows a contingent liability of $800,000 in respect of a note drawn by Porto Rico Power Co.

Consolidated Balance Sheet

The consolidated balance sheet shows an increase of nearly $1,000,000 in total assets which now are valued at $38,353,976. This statement also shows an excess of current liabilities of current assets totalling $8,808,783 which compares with a similar excess of $2,723,839 at the end of the previous year.

In assets cash is down $300,000 at $127,275 and accounts receivable are lower by $385,000 at $1,903,747. Total current assets, less reserve for exchange in foreign currencies of $100,000, stand at $2,803,355 against total current liabilities of $6,612,138.

Bank Loans Reduced

In liabilities bank loans have been reduced by over $1,000,000 to $4,305,250 and accounts payable are down $300,000 at $462,840. A new item of bills payable totals $1,211,640 and was secured by $1,100,000 of new gold notes at the year end.

Bonds and debentures of controlled companies at $7,931,223 show an increase from $7,005,373. Reserves have been increased by about $250,000 to $3,244,809.

Remarks to Shareholders

In his remarks to shareholders, I. W. Killam, president, said in part:

"Notwithstanding the unsettled business conditions, the earnings of your controlled companies were, on the whole, well maintained, while expenses were curtailed and economies effected wherever possible.

"The consolidated statement of income is shown in this report in Canadian currency at par of exchange. Losses in conversion of foreign currencies on remittances made to your company in payment of interest and dividends, etc., were largely offset by the profit realized on the sale of United States funds in Canada.

"In preparing the Consolidated Balance Sheet all accounts in foreign currencies have been converted at par of exchange, and a Contingent Reserve of $100,000 has been set up from surplus account to provide against loss which may result from the conversion of net current assets in foreign currencies at depreciated rates of exchange.

"No large extensions were undertaken during the year, capital expenditure being confined chiefly to work which had been started during previous years and the small extensions which were necessary to connect new customers to existing plant. The total charges to capital account amounted to $1,721,632, principally covering the cost of completing work started in prior years in Bolivia and Newfoundland, as referred to in previous reports.

"During the year the floating debt of your company and controlled companies was slightly reduced. Bank loans show a decrease of $1,052,793, as against which bills and accounts payable increased $897,115.58. Aside from the issue of $800,000 5½ per cent first mortgage bonds by the Newfoundland Light and Power Company, Limited, referred to in previous report, no permanent financing was carried out by your company or its controlled companies.

"As security for bills payable, there were issued $1,100,000 6 per cent one year collateral trust notes, which matured on June 1 of the current year, on which date this issue was retired and in place thereof a new issue of $900,000 due June 1, 1933, was created and sold, the proceeds being applied to reduction of bills payable secured by the notes so retired."

Exports of Power Decline Sharply

From Our Own Correspondent

MONTREAL. — A further decline in exports of power from Canadian central electric stations is revealed in figures released by the government covering May this year. Total exports in that month were 51,354 thousands of kw.h. compared with 54,982 thousands of kw.h. in the previous month and 86,824 thousands of kw.h. in May, 1931.

The decrease in exports is more sharply reflected in cumulative figures for the first five months of the current year. Up to the end of May exports totalled 275,939 thousands of kw.h., a figure which compared with 618,345 thousands of kw.h. in the same period last year.

Bell Telephone Employee Sales Show Increase

From Our Own Correspondent

MONTREAL.—Wide gains have been recorded in the annual revenue value of service and equipment sold by employees of the Bell Telephone Co. in the first five months of the current year. To the end of May these sales had an annual revenue value of $720,200 which compared with $297,600 in the same period of last year.

Each month has shown a good gain over the same month of 1931. In May the figure stood at $180,400 against $77,700 in May, 1931. Following are comparative monthly figures based on annual revenue value:

	1932	1931
January	$150,500	$54,200
February	126,300	42,700
March	122,000	55,500
April	141,000	67,500
May	180,400	77,700
Total	$720,200	$297,600

G. R. Cottrelle Elected Chairman Union Gas B'd

After the annual meeting of the Union Gas Co. of Canada and subsidiaries on June 30, directors elected G. R. Cottrelle as chairman of the new board. Mr. Cottrelle, who is an official of the Canadian Bank of Commerce, will, therefore, preside at all meetings of the board, of the executive committee and at shareholders' meetings.

S. A. Moore, president, in a verbal statement to shareholders, stated that sales of gas and coke have been affected more by the mild winter of last year than by the business depression. He felt that a more normal winter in 1932-1933 would be enough to assure material increases in sales. He said that at Windsor the company is selling more fuel recently to both the Ford Co. and Dominion Glass. The company has made savings of about $250,000 annually by reducing personnel, salaries and wages, and a recent gas market survey made the executive feel that there were possibilities for sales expansion by selling gas-burning equipment in residences upon a rental basis.

PROVINCE OF ONTARIO
5½% Non-Callable Debentures
DATED JULY 1st, 1932 DUE JULY 1st, 1946
DENOMINATIONS:
$100 · $500 · $1,000
Price: 97 and interest to yield 5.81%
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64

CENTRAL STATION POWER OUTPUT DECLINES IN MAY

Maritimes Only Area to Show Gain for Month

From Our Own Correspondent

MONTREAL.—Output of central electric stations in Canada declined in May, both in comparison with the previous month and with May, 1931, according to figures issued by the Dominion Bureau of Statistics.

Production from all stations in May was 1,273,519 thousands of kw.h., which compared with 1,365,786 thousands of kw.h. in May, 1931, and 1,334,030 thousands of kw.h. in April, 1932.

The Maritime Provinces were the only area to show an increase in May. All other areas showed declines, Ontario and Quebec being the heaviest losers. The gain in the Maritimes, however, was marginal.

Comparative Figures

Following are details of electrical energy generated by water power in May, 1932, compared with May, 1931:

Generated by Water Power (000's Kilowatt Hours)

May:	1932	1931
Maritimes	53,897	53,433
Quebec	662,140	693,853
Ontario	344,635	394,243
Prairies	95,863	102,640
British Columbia	93,091	98,771

Cumulative Output Lower

During the first five months of the current year, production by water power amounted to 6,607,368 thousands of kilowatt hours as against 6,890,418 thousands of kilowatt hours in the same period of 1931. The Maritimes and Prairie provinces were the only areas to report gains. Quebec and Ontario both showed decreases from last year and in the five months period, British Columbia, which hitherto has shown gains, has slipped behind last years figures.

Following are details of production in the first five months of this year:

Generated by Water Power January-May (000's Kilowatt Hours)

	1932	1931
Maritimes	244,216	215,416
Quebec	3,480,358	3,525,406
Ontario	1,838,733	2,153,288
Prairies	551,698	492,750
British Columbia	492,363	503,558

Fuel Output Gains

The steady gain which has been recorded in figures covering power generated by fuel during the current year is maintained on a moderate scale. Fuel output in the Prairie Provinces was slightly lower in May, but this was more than offset by the gain recorded in the Maritimes. Total fuel production was 23,893 thousands of kw.h. in May, which compared with 22,846 thousands of kw.h. in the same months last year.

Cumulative figures for the five months ended May also show increases, output totalling 143,483 thousands of kw.h. against 131,724 thousands of kw.h. in the same period last year. Areas other than the Prairies contribute the largest gain; introduction of the New Brunswick Electric Power Commission's unit at Grand Lake are reflected in this year's figures.

Following are details:

Generated by Fuel (000's Kilowatt Hours)

May:	1932	1931
Prairies	12,243	12,781
Other	11,650	10,065
Total	23,893	22,846
Five Months:		
Prairies	81,573	79,618
Other	61,909	52,106
Total	143,482	131,724

Montreal Trams Pays Higher Sums in Benefits

From Our Own Correspondent

MONTREAL.—A total of $36,490 was paid out to employees of Montreal Tramways Co. in the year ended April 30, 1932, for disability or sickness, according to the report of the Montreal Tramways Mutual Benefit Association. Disbursements last year were higher by nearly $1,000 compared with the previous period.

The association now numbers 4,521 members. The total receiving old age pensions was 126 compared with 108 in 1931. Total paid out in these pensions was $86,508 an increase of 25 per cent.

Gross revenue of the Benefit Association for the year was $352,505, an increase of $12,333. Expenditures totalled $254,378 an increase of $20,962. Net revenue was $98,126 a decrease of $8,629.

Investments made by the Association obtained an average return of 5.60 per cent.

Supersilk Reduces Dividend

Dividend on the 7 per cent preferred stock of Supersilk Hosiery Mills Ltd. has been reduced by half with the semi-annual payment made on July 2. This action has been taken by the directors owing to uncertainty of future conditions but it is stated that unit volume of business has been well maintained although prices are lower. Costs of raw silk have been increased by premium prevailing on U. S. funds and this has served to reduce the margin of profit. Cash position is stated to have been maintained.

Public Utility Earnings

MEXICO TRAMWAYS, L. & P. GROUP

Mexico Tramways & Subsidiaries

May:	1932 Pesos	1931 Pesos	Decrease Pesos
Gross earn.	799,170	800,620	1,450
Oper. exp.	996,890	844,240	†152,650
Net earn.	*197,720	*43,620	154,100
Aggre. gross from Jan. 1	3,715,620	3,844,210	128,590
Aggre. net from Jan. 1	*825,980	*437,740	388,240

Mexican Light & Subsidiaries

May:	1932 Pesos	1931 Pesos	Decrease Pesos
Gross earn.	2,115,110	1,966,815	†148,295
Oper. exp.	1,398,030	1,106,275	†291,755
Net earn.	717,080	860,540	143,460
Aggre. gross from Jan. 1.	10,660,640	10,220,245	†440,395
Aggre. net from Jan. 1.	4,073,320	4,770,750	697,430

*Deficit. †Increase.

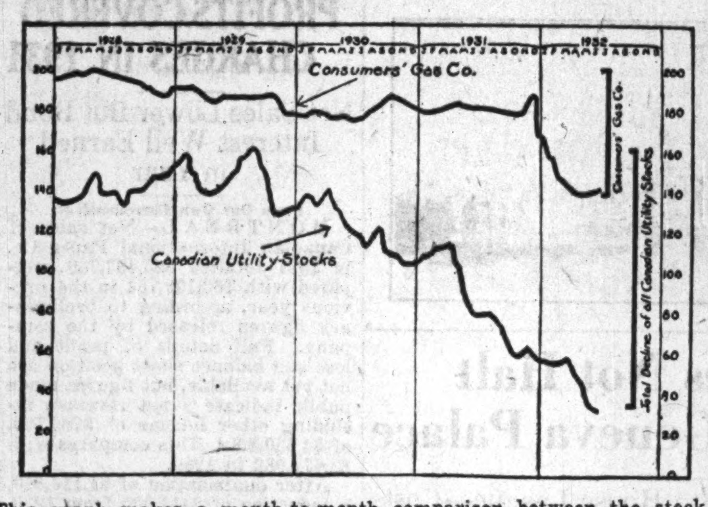
Heavy increases in taxation have been imposed under recent legislation in Mexico, seriously affecting the earnings of the companies.

Can. Western Natural Gas

	1931	1932	Increase
January	$262,102	$296,751	$34,649
February	226,842	338,591	111,749
March	232,102	287,945	55,843
April	214,889	205,967	*8,922
Aggre. from 1st Jan. to 30th April	935,935	1,129,254	193,319

*Decrease.

Consumers' Gas Record in Depression Era



This graph makes a month-to-month comparison between the stock of The Consumers' Gas Company of Toronto and the average of all Canadian public utilities in the Dominion Bureau of Statistics index. In the period when the average has declined 77 per cent, the market value of the gas stock has receded only 27 per cent. Consumers' Gas has paid its present rate of dividend since 1874 and fluctuations in market value usually are in line with fluctuations in high-grade bond yields. It was recently forecast, based on the results for nine months, that the company for its fiscal year ending next September 30 again will report an increase in gross sales. This chart was prepared by Osler & Hammond.

GOODYEAR TIRE EARNED DIVIDENDS, ADDED TO SURPLUS

President Carlisle Compares Company and Industry With 1929

In a letter to shareholders on July 2, accompanying dividend cheques, C. H. Carlisle, president and general manager of the Goodyear Tire & Rubber Co. of Canada, states that since 1929 the company has earned and paid both its preferred and common stock dividends, and built up substantial reserves and added to surplus. Since October, 1929, it has cancelled and retired 4,670 shares of its common stock and 6,890 shares of preferred stock. While making no statement about earnings other than to say that general business conditions have not improved since the date of the last letter three months earlier, and that there is no immediate prospect of improvement, Mr. Carlisle makes the following interesting comparison with 1929 conditions:

"You may be interested in a comparison of the present standing of your company with its position as of July 1, 1929, which is about the high point of inflation. The plant and equipment account has been slightly increased. Reserves for depreciation have been increased from $3,800,000 to $4,900,000. Cash and other assets in the nature of cash have been increased from $3,100,000 to $5,300,000. The ratio of current assets to current liabilities has been increased from 7.2 to 25 and the earned surplus from $6,800,000 to $7,100,000.

"The figures quoted above apply to the rubber company only. The cotton company from its inception has been operated at a profit and has consistently made additions to surplus.

"A decline in the prices of either crude materials or manufactured goods generally results in a severe loss to any company. Since July 1929 there has been a very drastic decline in the market prices of both rubber and cotton. The prices of these commodities as of July 1929 and July 1932 are as follows:

	1929	1932
Crude Rubber	20¾c	2⅝c
Spot middling cotton	18.45c	5.10c

"In the Canadian Tire Industry domestic prices have declined 23.5 per cent and total unit tire sales have decreased 60.6 per cent. The decline in unit tire sales is largely in export and in sales to car manufacturers. These reduced prices and the present low volume of business have cost your company many hundreds of thousands of dollars, yet the intrinsic value of the Company's common stock is $4.57 per share in excess of its value in 1929, when it sold as high as $377.00."

COAST LUMBERMEN CHEERED BY CALL FOR SHIPPING BIDS

Have Lost Trade in Orient as Result of Fewer Voyages

From Our Own Correspondent

VANCOUVER.—Decision of the federal government to call for tenders for the resumption of a Canadian shipping service to the Orient, particularly to carry British Columbia lumber cargoes, has cheered the coast lumber industry.

The United States tariff virtually shut B. C. lumber out of that market and the new Japanese tariff dealt a severe blow to a growing trade with Japan. Then Parliament ended its sessions at Ottawa without providing for continuance of the subsidy to the A. B. C. Shipping Company, which had been carrying B. C. lumber to China, and loss of the Chinese market was therefore threatened.

A delegation of leading lumbermen, headed by Premier S. F. Tolmie, conferred with Premier Bennett and Hon. H. H. Stevens in Ottawa and urged that provision of the subsidy was a good investment. If the subsidy is continued on the 1931 basis, $7,900 will be advanced for every cargo carried to China.

Last year the total subsidy paid was about $173,000 and shipments to China were increased from the previous average of about 30,000,000 feet a year to about 50,000,000 feet.

Spokesmen for the B. C. delegation stated that while the federal government had subsidized Eastern shipping lines to the extent of more than $2,000,000, the Pacific services which gave promise of important revenue to Canada had been neglected.

Under normal conditions about 40,000 men are engaged in the lumber industry, but due to depression this number has declined to about 10,000. Investment in the industry represents about $225,000,000.

Johnston Storage Will Pay in Stock

Preferred shareholders of Johnston National Storage Ltd. have given approval to a scheme whereby the $7 annual dividend rate on the preferred shares shall be cut to $3.50 $5.25 in cash and one quarter of a

for a period of 18 months, after which time preferred shareholders will be compensated by receipt of common shares in lieu of the amount of dividends not paid. The preferred dividend due April 1, 1932, was passed by the company.

Under the arrangement accepted, Elmer Johnston, president, of the company, has agreed to provide common stock from his own holdings on the basis of one common share for each four preferred shares outstanding. During the 18 months period, preferred shareholders would receive

share of common stock as dividend on preferred shares held.

In the year ended July 31, 1931, the company showed net earnings of $28,479 and, after depreciation, life insurance premiums, bad debt reserves, and income tax reserves had a net profit of $7,411 available for preferred dividends which amounted to $17,500. A deficit of $8,588 was carried forward into the current year. It is stated that on the basis of the last quarter's earnings, and provided business does not fall to lower levels, directors of the company feel that the proposed arrangement will be satisfactory both to preferred shareholders and to the company. To become effective, the plan had to be approved by two-thirds of the outstanding preferred shares.

Service Stations Passes Preferred

Directors of Service Stations Ltd. have passed the quarterly dividend due August 1, on the 6 per cent cumulative convertible preference stock and on the 6 per cent preferred series "A" stock. This action was taken in view of the curtailed manufacturing operations prevailing and the uncertainty attending the outlook for the balance of the current year which ends December 31. The company is stated to be in excellent liquid position.

Dividends on the class "A" and class "B" common shares of no par value were passed on July 1, 1931, but preference dividends have been paid regularly since they were offered to the public. The 6 per cent preference stock was offered in October 1928, and the series "A" preference shares were offered in June, 1929. Both classes of preference stock rank equally with regard to assets and dividends the only difference being in the conversion feature.

A. L. Ellsworth, president, in a message to shareholders, expressed regret that this action was necessary, adding: "It appears wise in view of curtailed manufacturing operations and the uncertainty attending the outlook for the balance of the year. The company is in excellent liquid position and it is our desire to maintain it."

New Ontario Bonds To Yield 5.81%
Province of Ontario
5½% Bonds, due July 1st, 1946.
Denominations: $100, $500 and $1,000.
Price: 97 and interest, yielding 5.81%.
Mail orders receive prompt attention.
Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Ontario Bakeries Loss is Shown in 1931 Report

The annual statement of Ontario Bakeries for the fiscal period ended March 26, 1932, showed a loss from operations of $59,258 after depreciation of $37,283. After deducting bond interest and expense of $54,270, expenses of bondholders' meetings $2,752, and depreciation adjustment of $1,005, the debit balance in profit and loss statement was increased from $296,083 to $413,377. This compares with a loss in the preceding year from operations of $82,312, after depreciation.

Current liabilities are still in excess of current assets, $79,972 comparing with $61,715. There is also a mortgage payable of $28,743; bond interest accrued of $94,512; bonds outstanding of $904,500.

Loaves sold in 1932 were 6,099,886 is a decrease of 384,272 from the preceding year.

Bank to Withhold Funds of Suspected Bank Robber

Bank of Montreal, by an injunction order made by Mr. Justice Wright, at Osgoode Hall, Toronto, is restrained from paying out any monies standing to the credit of Ronald L. Rideout at the Queen and Yonge Street branch, Toronto.

The application was made by a representative of the Royal Bank of Canada, which bank claims that the $3,151 deposited by Ronald L. Rideout in the Queen and Yonge, Toronto, branch of the bank of Montreal is a portion of the $8,153 which was stolen on June 16 this year from the Osborne and Croydon Avenue branch of the Royal Bank in Winnipeg.

A DIRECT OBLIGATION OF THE
PROVINCE OF ONTARIO
AUTHORIZED BY ACT OF THE LEGISLATURE OF THE PROVINCE, AND A CHARGE AS TO PRINCIPAL AND INTEREST UPON THE
CONSOLIDATED REVENUE FUND OF THE PROVINCE
New Issue
ONTARIO
THE TREASURER OF THE PROVINCE OF ONTARIO OFFERS FOR PUBLIC SUBSCRIPTION
$20,000,000
GOVERNMENT OF THE
PROVINCE OF ONTARIO
5½%
Non-Callable
Fourteen Year Debentures
Dated July 1, 1932 Due July 1, 1946
Coupons 1, January and July.
Denominations $100, $500 and $1,000.
Registerable as to principal only.
Principal and interest payable in lawful money of Canada at the office of the Provincial Treasurer in Toronto, or, at the holder's option, at the Bank of Montreal in Ottawa, Montreal, Winnipeg, Vancouver, Halifax or Saint John, N.B.
Legal opinion of the Attorney-General of Ontario and of E. G. Long, Esq., K.C.
The proceeds of this issue will be applied to the funding of short term indebtedness created for capital expenditures.
Price: 97 and accrued interest, yielding 5.81% to maturity.
APPLICATIONS TO THE ABOVE LOAN WILL BE RECEIVED BY ANY BRANCH OF ANY CHARTERED BANK IN CANADA, ANY BRANCH OF THE PROVINCE OF ONTARIO SAVINGS OFFICE, AND BY RECOGNIZED BOND DEALERS AND STOCK BROKERS, FROM WHOM MAY BE OBTAINED COPIES OF THE OFFICIAL PROSPECTUS CONTAINING COMPLETE DETAILS OF THE LOAN.
SUBSCRIPTIONS TO THIS LOAN WILL BE SUBJECT TO ALLOTMENT AND THE LIST WILL CLOSE, AT THE DISCRETION OF THE TREASURER OF ONTARIO.
INTERIM DEBENTURES IN BEARER FORM WILL BE AVAILABLE FOR DELIVERY ON OR ABOUT JULY 12, 1932.
TREASURY DEPARTMENT.
PARLIAMENT BUILDINGS,
TORONTO, JULY 5, 1932.

News of Investment Markets

ONTARIO LOAN WELL TAKEN UP BY INVESTORS

Province Follows New Method in Offering $20,000,000 Issue

SELLS DIRECT

Institutional Demand is Light But Private Investors Take Bonds on 5.81 p.c. Basis

Ontario follows a new procedure in provincial finance with the offering by the treasury department of $20,000,000 of 5½ per cent noncallable debentures, due July 1, 1946, at 97 to yield 5.81 per cent to maturity. In many respects the method of offering is similar to that of the National Service Loan of November, 1931, and while it is anticipated that the loan will be fully subscribed it is probable that the methods used will not be generally followed since few Canadian borrowers could be assured of obtaining any substantial volume of funds in this manner.

On Tuesday, the first day of offering, approximately $7,000,000 of the loan was taken up by investors. Dealers take this as an indication that it will require several days of intensive effort before the objective of $20,000,000 is achieved. This is in contrast to the result of the last Ontario loan which was over-subscribed within a few hours. Dealers at that time were willing to draw down bonds and take sizeable committments but this attitude does not prevail with the present issue. Placement of the current loan will depend in large part on the small investor and few will fail to get the amount they desire. This is due not to the method of offering the loan but to present conditions. Were large institutional buyers interested in the loan to any degree it would be quickly taken up.

For some time The Financial Post has indicated that Ontario would probably be in the market before the end of July although press reports have quoted Hon. E. A. Dunlop, provincial treasurer, as saying that the province would not enter the market until the fall unless there was an apparent improvement in the Canadian high-grade bond market. Such improvement has failed to materialize but without any prior notice the province advertised its bond issue of July 5.

Act as Agents

Bond dealers, stock brokers and the chartered banks were authorized to act as agents and accept applications for the new loan and were allowed 1 per cent commission from which ½ of 1 per cent might be allowed to sub-agents. Institutional investors such as the life insurance companies received no different treatment than the small private investor since there was no prior notice of the issue and no exempted list. No concessions were to be allowed any investor, private or institutional. The committee which handled the details of the issue consists of A. J. Haskell, Bank of Montreal; H. J. Coon, Bank of Nova Scotia, and F. W. Kerr, of F. W. Kerr & Co.

Little criticism is voiced in financial circles of the way in which the loan was offered but it is pointed out that had it not been for the full report of bond dealers the bonds would not have been so well placed. Institutional demand for the issue is reported as being fairly small and the chief demand has been from the private investor who holds Ontario bonds in high regard. Much of the issue was placed through trades in which other securities were accepted in payment and the larger investment houses offer the only channel through which these old securities can be re-sold.

Would Reach Small Investor

Various reasons are suggested for Ontario offering its bonds direct rather than by the established method but among the chief reasons would appear to be the unwarranted, but nevertheless keen, objections made by political opponents and others to the manner in which the last issue, marketed in February, 1932, was sold. That issue was sold on a 5.90 and 6 per cent yield basis, depending on maturity, and was so readily oversubscribed that many small investors had little opportunity of buying bonds. Statements made by Premier George S. Henry and Hon. E. A. Dunlop in connection with the current issue stress the opportunity presented to the small investor to buy at a price no different from that to be obtained by the largest institutional buyer. The province is allowing banks and dealers, acting as agents, a commission of 1 per cent on the current issue while in the February issue dealers received 1¾ per cent and the management group more.

The purpose of the new loan is stated to be "the funding of short term indebtedness created for capital expenditures." No information is given as to the financial position of the province other than a brief financial statement, as of May 31. Compared with a similar statement as at June 1, 1931, gross funded debt has increased to $500,458,953 from $457,743,000 and temporary loans, savings office deposits and special funds has increased to $52,964,146 from $44,069,000. After deduction of sinking funds total debt stands at $546,903,049 at May 31, 1932, against $498,244,000 in June, 1931. Much of the province's funded debt has been issued for enterprises that are self-sustaining.

Financing in Six Months Falls Below Previous Years

Total of $141,771,819 is Largely Placed in Canada — Record is Parallel With Same Period in 1929

The chief feature of Canadian financing during June is the possibilities presented by the London market which absorbed some $4,866,666 of Canadian securities during the month bringing the total placed in this market during the current year to $13,478,333. As the month closes, however, the prospects of financing in London are not as bright as they appeared at the end of May and an offering of £1,000,000 of Alberta 5's offered at 98 is understood to have sold slowly.

The first six months of 1932 were almost the same as the first half of 1929 according to figures compiled by Wood, Gundy & Co. The total volume of government and municipal financing was practically identical although in 1929 the total included $40,000,000 of Dominion financing. The big difference between the two periods is in the placement of new issues and in 1929 United States investors took $61,245,200 of a total of $141,695,911 while in 1932 only $2,000,000 of a total of $141,771,819 was placed in that market. The 1932 volume however is well below that of 1930 and 1931 due to the comparative inactivity in recent months.

The following figures, compiled by Wood, Gundy & Co. give a comparison of Canadian financing in the first six months of each year since 1929.

To June 30, in—	1929	1930	1931	1932
Dom. Govt., direct and gtd.	$ 40,000,000	$ 78,100,000	$ 70,000,000	....
Provincial, direct and gtd.	57,299,000	78,286,000	125,152,205	$ 67,291,336
Ontario municipal	17,162,717	40,020,168	32,094,277	24,679,817
Que. and Marit. municipal	20,107,900	14,699,900	39,905,200	46,101,600
Western municipal	7,126,294	18,113,670	11,379,363	3,699,066
	$141,695,911	$229,219,738	$278,531,045	$141,771,819
Conversion loan			627,566,500	
			$906,097,545	
Sold in Canada	$ 64,991,711	$ 97,929,638	$188,135,045	$126,293,486
Sold in U.S.A.	61,245,200	124,495,100	88,396,000	2,000,000
Sold in England	15,459,000	6,795,000	2,000,000	13,478,333
Conversion loan			627,566,500	
Total to June 30	$141,695,911	$229,219,738	$906,097,545	$141,771,819

Comparative Statement of Government and Municipal Financing For the Month of June

	1929	1930	1931	1932
Dom. and Dom. gtd.	$40,000,000	$50,000,000	....	....
Provincial and prov. gtd.	2,526,000	2,900,000	$34,010,000	$6,447,666
Ontario municipal	356,120	1,431,575	1,420,037	804,970
Quebec and Marit. municipal	7,081,000	1,283,700	12,546,200	14,493,000
Western municipal	....	570,139	134,289	90,000
	$49,963,120	$56,185,414	$48,110,526	$21,835,636
Conversion loan			627,566,500	
			$675,677,026	
Sold in Canada	$23,334,920	$15,885,414	$43,828,526	$16,718,970
Sold in U.S.A.	21,628,200	40,300,000	4,282,000	250,000
Sold in England	5,000,000	....	....	4,866,666
Conversion loan			627,566,500	

Sandwich Tax Rate is Finally Settled

The 1932 tax rate for the Town of Sandwich, Ont., at present in default and under the jurisdiction of the Board of Supervisors appointed by the Ontario Municipal Board has recently been set at 36 mills for public school supporters, a reduction of 1½ on the 1931 rate. Separate school taxpayers will pay a rate of approximately 40 mills representing an increase of more than four mills. Provision is made for the first time in many years for a surplus of $75,000 in the budget to cover uncollectable taxes.

The lower tax rate was made possible through the town's default on its principal payment on debentures and through drastic economies in the budget. Included in these economies is a 10 per cent salary cut for school teachers, and civic employees. Separate school supporters must pay a higher rate than public school supporters because debentures of the separate school board are not in default and the separate school board is in a relatively sound financial position. Public school supporters benefit temporarily by the town's default on its principal payments.

The new budget provides for no principal payment on debenture debt except those that are not already in default and hydro and water debentures which are self sustaining and revenue producing. Although provision is being made in the budget for principal of the hydro bonds, the funds raised for them will not be paid out but will be invested. Thomas Bradshaw, chairman of the Board of Supervisors for Sandwich explained that this was being done in order to keep all bondholders of Sandwich on the same basis. The 1932 tax rate was submitted by the Board of Supervisors and was finally sanctioned by the Municipal Council.

Vancouver Mayor Wants Midget Debenture Issue

From Our Own Correspondent

VANCOUVER.—Mayor L. D. Taylor has suggested the issuance of $1,000,000 in civic debentures of denominations of $1 to $20 to finance municipal works without the necessity of appealing to the banks. Mayor Taylor in his recommendation to the city council said that his plan would effect a substantial saving to the city.

The bonds would be redeemable by the city in payment of taxes, water rates, licenses and other city assessments. The holders could cash the bonds at face value for groceries and the grocery in turn could pay them to the wholesaler, to his landlord and other creditors. The landlords could exchange them for tax payments. The bonds would bear interest at 5 per cent.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
St. Law. Power	*6%	1935	Aug. 1	105

*Called in part.

Malagash Bondholders Will Discuss Proposals

From Our Own Correspondent

MONTREAL. — Bondholders of Malagash Salt Co. will meet on July 25 to discuss certain modifications of the trust deed surrounding their holdings. The proposals, which have been approved by the bondholders' protective committee, provide that interest on and after August 1, 1932, shall be payable only out of profits, such interest to be cumulative, and that in the event of non-payment for any period of five years after August 1, 1932, provision for the further protection of bondholders shall be made. Sinking fund shall be postponed until August 1, 1935.

Malagash Salt Co., owning and operating mining rights in Nova Scotia, has outstanding $500,000 of 6½ per cent first mortgage bonds.

Sisters of Charity Seek Financing For Infirmary

Offering is being made of $1,250,000 6½ per cent first mortgage bonds of the Sisters of Charity of Nova Scotia. Security for the issue is a first mortgage on lands and buildings in the Province of Nova Scotia, including an infirmary building in course of erection at Halifax. A. E. Ames & Co. is handling the issue which is selling at 100 to yield 6½ per cent. The bonds mature July 1, 1933 to 1959.

Properties securing the bonds are stated to have cost $4,047,239. Proceeds from the issue will be used to finance the new infirmary through to completion and repay temporary loans.

Newfoundland Loan is Fully Subscribed

Newfoundland has successfully raised $2,500,000 through public subscription of $750,000 remaining after Imperial Oil Co. had taken up $1,750,000 in return for a monopoly on sale of petroleum products in the Dominion. The issue was sold publicly at 97 and matures in 15 years.

Proceeds of the loan will be used to meet interest payments on the public debt of the Dominion which is obligated to set aside $250,000 each year for interest and sinking fund charges. The treasury closed its fiscal year ended June 30 with a satisfactory balance in hand after meeting all interest obligations.

National Silk Mills Offers Debentures

From Our Own Correspondent

MONTREAL.—National Silk Mills of Canada is offering $100,000 7 per cent seven year debentures at par together with a bonus of 10 shares of class "A" common stock with each $100 debenture. Funds so received will be used to install a throwing plant, and provide the company with working capital.

National Silk Mills operates at Actonville a broad silk plant of 98 looms, with a weekly capacity of over 30,000 yards of pure silk materials. It is fitted with all necessary equipment. The president of the company is T. A. Cauley; vice-president, Jule Crepeau, both of Montreal.

Canadian Western Lumber

Statement of Lumber Manufactured, Sales and Price Realized

April—	1931 Feet	1932 Feet	Decrease Feet
Lumber mfd.	7,550,719	8,045,000	*494.281
Lumber sold	10,079,693	7,627,100	2,452,793
Price realized	$144,093	$101,180	$42,913
Aggre. mfd.†	34,995,193	34,815,983	179,210
Aggre. sold†	36,629,728	33,261,478	3,368,250
Price realized†	$534,981	$408,823	$126,158

†From Jan. 1 to Apr. 30.
*Increase.

Crop Prospects

GROWTH IN WEST NOT EQUALLED FOR MANY YEARS

Fair Results Assured Almost Everywhere With Excellent Returns Likely

From Our Own Correspondent

WINNIPEG.—The past week has made a remarkable improvement in the outlook for the western crop, and favorable results that a week ago were only possibilities are now becoming probable. Cool wet weather over practically the whole west has kept the grain growing, and has supplied additional reserves of moisture in the sub-soil. From Winnipeg to the foothills of the Rockies the whole country presents a mass of green growth that has not been equalled for years.

Such conditions do not necessarily yet presage bumper crops in any one district, for the most promising stand at this time of the year will only give the best results if subsequent condition are exactly right. But they do convey most practical assurance of fair results almost everywhere, and make excellent results over very large areas extremely likely.

Differences in Crop Appear

The difference between the best and the poorest districts is now beginning to make itself apparent. Although rainfall has been good this year much of it has occurred in heavy showers of a more or less local nature, and statistics of precipitation at various points are of less than average use in estimating general conditions. In some areas in all provinces, and more especially in southern Manitoba, rainfall was somewhat light in the early part of the growing season, but there was enough of it when accompanied by warm weather, to bring the wheat plant along at a somewhat too rapid rate. As a consequence a good deal of wheat headed out very early on short straw, and with a somewhat thin stand, due to the absence of the usual stooling. On the other hand there are suggestions from some parts of the north country that rainfall has been so plentiful that growth has been too rank.

But the areas in which definite fault can be found with conditions form but a small percentage of the whole, and there is a striking uniformity in this, that there is hardly a district, indeed it might be said hardly a farm where an abundance of food and feed is not in sight.

The west is accustomed to look on June as its month of rain, and usually expects the rain to be accompanied by cool weather, but some of the early June weather was unusually warm, while July has opened both cool and wet. This is prolonging the growing season, increasing moisture reserves, and strengthening the crop for such adverse conditions as it may later have to encounter. The late rains have been useful in another respect, in prolonging the season for effective work on summer-fallow, and in providing more moisture to be conserved for next year.

MOST CROP AREAS BETTER THAN 1931

Moisture Still Required Throughout the West, However

Western grain crops entered the critical month of July with prospects approaching average, but with an increasing number of districts reporting inadequate moisture supplies, according to the sixth weekly telegraphic report of the Dominion Bureau of Statistics, dated July 5. Although the crop promise throughout the west was fairly uniform at the first of June, the regional differences in moisture reserves, summer rainfall, and insect damage have caused the usual increased variability at the first of July. Crop prospects now range from poor to ideal, but with most districts greatly improved over 1931.

Heaviest rains of the past week fell in southern and western Manitoba, generally over Saskatchewan and in south-central and southwestern Alberta. Most of eastern Manitoba and central and northern Alberta received little moisture. Hailstorms caused heavy local damage in all three provinces.

Early-hatched grasshoppers are now migrating and have passed the stage where control through poisoning is effective. Fortunately, the wheat crop is also well advanced in growth and able to withstand limited attacks. Wheat-stem maggots are prevalent in Manitoba and Saskatchewan, while webworms have caused damage to gardens, flax and sugar beets in the two western provinces.

JULY RAIN NEEDED IN SASKATCHEWAN

Conditions Generally Good With Crops Free from Disease

From Our Own Correspondent

REGINA.—Heavy demands on soil moisture are being made in some parts of south central and southwestern Saskatchewan by the early crop and the reserve is disappearing rapidly, according to the July 4 bulletin of the Saskatchewan Department of Agriculture. Precipitation during the present month will largely determine the success of the crop in these districts.

Rains in various parts of the province at the beginning of the month were very beneficial and very welcome. Over 75 per cent of the wheat has reached the shot blade and between 25 and 30 per cent is in head. The crop on the whole appears to be at least as early as the average and in the eastern sections considerably earlier.

Cutworms have now passed the dangerous stage and grasshoppers are well under control although serious damage has been reported in individual cases. Hail damage has been reported at a few points in the southeastern section with damage varying from very slight to 100 per cent.

Summerfallowing has been proceeding with fairly good success and is about two thirds completed.

World Events Shaping To Aid Canada's Copper

Debarred from United States Market by High Tariff, Dominance of Copper Exporters, Inc. in World Trade is Broken — International Nickel and Big Foreign Producers Withdraw

Copper producers of Canada find world events shaping to their ideas in approaching the Ottawa Imperial Conference. With International Nickel, Chile Copper Co. (a subsidiary of Anaconda Copper Mining Co.) and the Cerro de Pasco Copper Corp. withdrawing from Copper Exporters, Inc., which formerly was the single selling agency for copper producers and the great dominant distributor of the world, a realignment is certain. This follows the imposing of a duty of the U. S. government of 4 cents a pound on copper. This is expected in the end to break up the world organization dominated in the United States.

Being barred from the United States market, foreign producers are no longer willing to submit to the quota arrangements of Copper Exporters, Inc., and will try to get foreign markets entirely from the United States. Subsidiaries of United States companies will be as keen for this as any other producers. International Nickel is the largest copper producer in Canada and Chile copper is one of the largest in Chile. Cerro de Pasco has a great mine in Peru. Union Miniere du Haut Katanga, the largest producing mine in the world, has also withdrawn from Copper Exporters. Its mine is in South Africa.

Copper Exporters followed these withdrawals by dropping price of export copper to 5⅛ cents, the lowest level copper has yet reached. The domestic price remained at 5⅝ cents a pound. Formerly Copper Exporters kept difference of ⅛ cent a pound between U. S. and European prices, the difference just about covering cost of transportation. Copper price for the first time is now lower in Europe than in United States.

The plans for copper refinery in England, described elsewhere, show that refining business hitherto done in the United States may go to England from South Africa. Whether England will impose a tariff or not against all but favored nations has yet to be determined.

INTEREST ARREARS ON WESTERN LOANS 6 P.C. OF PRINCIPAL

Report of Ontario Loan and Trust Companies Surveys Position

In the review of 1931 business of the loan and trust corporations of Ontario, R. Leighton Foster, Registrar of Loan Companies, points out that while loan company assets have increased in total from $236,800,000 to $239,900,000 through the addition of $7,000,000 in the amount of debentures outstanding, trust company assets on the other hand have decreased by approximately $11,500,000 due to a reduction of $2,600,000 in borrowed money and a $10,500,000 reduction in guaranteed funds.

This is the first time in the past decade that a reduction in guaranteed funds has been recorded, Mr. Foster states, and while no doubt due in a large measure to current business conditions, it was probably influenced by the very favorable yields obtainable on government and many other first-class securities offered in 1931.

Continuing his review with a survey of mortgage loans and real estate held for sale, Mr. Foster states:

"Mortgage loans and agreements on real estate, including interest due and unpaid, the principal asset of loan and trust corporations, representing 75 per cent in the case of loan corporations and 50 per cent, in the case of trust companies, increased during 1931 approximately 2 per cent, bringing the total to two hundred and eighty millions Loan corporations accounted for $1,440,000 of this increase and trust companies approximately $4,100,000, the latter figure composed of an increase of $4,900,000 in company funds and a decrease of $800,000 in guaranteed funds. The increase for all companies in 1930 was approximately 4 per cent.

Mortgage Increase Small

"While the increase in mortgage holdings is substantial it is not as great as exhibited in recent years due probably to the attractive yield on government and municipal securities available to companies during the past year and a desire to maintain a high percentage of liquid securities. Also, the companies have avoided loaning any new money in the west.

"In 1931 the principal of western loans increased only $600,000 (as compared to an increase of $7,000,000 in 1930), and a large part of that amount represents unpaid charges and disbursements. The total of western loans for both loan and trust corporations now stands at ninety-two millions odd. On the other hand, the principal of mortgage loans on properties in eastern Canada increased two and a half millions during each of the past two years, a rate of approximately 1½ per cent each year, the total now standing at one hundred and eighty-one millions.

"The difficult period through which the West is now passing is particularly evidenced in the increase of unpaid interest. As at December 31, 1929, interest due and unpaid in Western mortgages of loan corporations was $1,200,000, of trust companies' company funds $250,000 and guaranteed funds $440,000, a total of $1,890,000. In 1930 this amount had practically doubled, standing at $3,700,000, and by the end of 1931 another $1,900,000 had been added. In two years the amount outstanding has been trebled, the total now shown being $5,600,000, divided as to loan corporations, $3,200,000; company funds of trust companies, $900,000, and guaranteed funds of trust companies, $1,500,000. Such interest represents 6.08 per cent of all western loan principal as compared with 0.77 per cent outstanding in respect of eastern loans. It must also be borne in mind that the above figures do not include interest accrued nor any interest which is due but not charged.

"It is noteworthy what during the period of economic stress in 1922, western arrears of interest were reported to be 4.05 per cent of the western loans then outstanding.

Real Estate Held for Sale

"An important factor in the consideration of loan and trust corporations' affairs is the relative amount of real estate on hand. Real estate held for sale is acquired only in protection of mortgage investments, and is not permitted as a direct investment except for loaning land corporations. It is looked upon generally as a dormant asset to be disposed of as early as possible. This year, however, in spite of an endeavor to avoid foreclosure where at all possible real estate on hand has again increased by more than $1,100,000. A contributing factor, however, may be a reluctance on the part of some corporations to dispose of first-class properties at sacrificial prices.

"Of the increase, $700,000 was reported by trust companies and $400,000 by loan corporations, the total holdings of both classes of companies showing at approximately $5,000,000. This represents an increase of $2,000,000 in the past two years."

Bond Tenders

8 p.m., July 10, Protestant School Municipality of Noranda. $30,000, 6 per cent, 15 year serial bonds dated Sept. 1, 1932. A. E. Lambert, sec.-treas.

8 p.m., July 25, Maniwaki—$40,000, 6 per cent waterworks bonds, redeemable serially from Aug. 1, 1932 to Aug. 1, 1972. P. Joanis, sec.-treas.

July 25, Laval-sur-le-lac—$20,000 debentures. H. Gohier, sec.-treas.

New Books

Investment Trust Manual

A decline in the number of active management trusts, partially offset by an increase in the number of fixed trusts, is indicated in the fifth annual number of Keane's Manual of Investment Trusts which, in its 1,836 pages, probably gives the most comprehensive survey that is available on the investment trust companies operating on this continent. Included in the 1932 volume is information regarding 592 investment trusts of which 425 are of the management type and 167 are of the fixed or semi-fixed type.

Apart from the detailed information regarding each trust, the manual includes a large amount of material relating to investment companies. In addition to a directory of investment trusts and a directory of sponsoring financial houses there are given the rulings of the New York Stock Exchange on investment trusts as well as state regulations regarding these trusts. There is a complete record of investment trust financing in the United States and Canada since 1924 and a comparison of the common stocks held by both management and fixed trusts in 1931 and 1930.

An added attraction to the 1932 volume is a separate section devoted to systematic investment fund companies, the so-called partial payment plans which are stated to have been growing in popularity.

Keane's Manual of Investment Trusts is edited by C. P. Keane and Jacob Schaefer and is published by Keane's Financial Publications, Inc., 45 John St., New York. The volume is priced at $25. Data is supplemented by Keane's Investment Trust Monthly.

Income From Animal Life

It is estimated that the annual income from wild life in Canada is $53,000,000. This value includes the worth of pelts and carcasses of animals, the revenue from the trade in firearms and ammunition, in supplies for hunters and sportsmen, and their transportation, guides and accommodation.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1931 $	Net Income 1930 $	Common earnings 1931 $	Common earnings 1930 $	Curr. divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
T. E. Bissell	May 31	*14,613	*16,980	...	...	...	1,738	16,888	...	...	...
Loblaw Groceterias Ltd.	May 31	1,040,841	1,084,635	1.23	1.27	0.80	2,292,194	2,225,075	8½	7.1	9.15
Crow's Nest Pass Coal	Dec. 31	27,447	166,881	0.44	2.68	‡3.00	†27,378	2,984	8	...	...
International Power	Dec. 31	568,827	563,763	...	...	...	293,300	243,473	...	...	...

*Loss. †Debit balance. ‡Distribution on capital account out of depreciation and depletion reserves.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Hanover, Ont.	June 20	C. H. Burgess & Co.	6% 6%	30-ins. 20-ins.	$21,800 25,766	.....	.....
Hanover, Ont.	June	Locally	6%	20-ins.	9,484	.....	.....
Sisters of Charity	July	A. E. Ames & Co.	6½%	1933-59	1,250,000	*100	6.50%
Provincial—							
Ontario	July 5	Direct	5½%	1946	$20,000,000	*97	5.81%

*Offering price.

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TORONTO, JULY 9, 1932

WRITING DOWN DEBTS OF PUBLIC OWNERSHIP

THE FINANCIAL POST has been presenting a group of articles on various phases of the Imperial Conference written by able economists. The first, which ran two weeks ago, was written by Arthur Kitson, an English economist and industrialist, who pointed to the danger the conference faces from the established British prejudices regarding industrial development in the Colonies.

Last week, a Canadian economist, who preferred to remain anonymous, indicated why Canada must continue to maintain a tariff that will build up home industry.

A third and related phase of the conference is discussed this week by Prof. Harold A. Innis, of the University of Toronto. Mr. Innis makes it clear that larger outside markets and particularly British markets are essential to Canada if we are to be able to pay our large public and railway debt. And as such a large proportion of our public debt has been borrowed from British investors it is very much in the interests of Great Britain that it aid Canada to obtain those markets.

The dilemma of our public debts is succinctly set forth by Prof. Innis. In the past, we have paid our debts and kept going by the simple process of assuming new debts and using the new capital for great expansion programmes which have tided off the day of repayment. Likewise the tariff and public ownership have been used as instruments to pay our debts by the process of issuing new promissory notes.

But the tariff has about reached its limit as a revenue producer or protective agent. And public ownership has brought the country to the verge of a serious crisis in one respect; it has denied to the country the useful financial expedient of receivership as a process for writing down excessive debt. United States railways, by way of contrast, have practically all wiped out their excessive debts by receiverships — some by more than one receivership. But when a railway is publicly owned its debts are public debts and receivership to squeeze out dead capital is impossible since it loses the character of reorganization and becomes national default.

Sir Henry Thornton recognized this when he said, in his evidence before the House of Commons railway committee in 1929:

> "We find that in the territory in the United States (West of the Mississippi River) and in the period under consideration, there have been 191 reorganizations of railway properties. We find that $874,000,000 have been eliminated or lost, in those reorganizations, and securities to the amount of $1,141,000,000 were stepped down from a superior to an inferior position in the reorganization. If those losses were subject to interest—as has been the case with our own deficits because we are charging interest at 6 per cent on our deficits—the total figure which might be considered comparable to the deficits of the Canadian National Railways and its liability to the government would run into a colossal figure—I think it is $3,250,000,000.
>
> "In other words, what happened in the United States was that it was a 'loss' which was borne by the investors—by the public. In Canada the government for good and sufficient reasons stepped into the breach and carried the burden, which, as I said, in the United States was carried by the public."

THE PENDULUM SWINGS BACK

FOR many months The Financial Post has contended that the way out of this depression will not be found in new-fangled ideas for the inflation of currencies, the public spending of private money, the artificial control of trade. One by one, the artificialities in the world economic situation are being erased by the relentless pressure of deflation and to the extent that there is less dependence upon the panaceas of economic theorists, the world is nearer today to solid prosperity than it has been for several years.

While the still undefeated formula-hunters continue their search for the magic key to open the door of prosperity, the realization that there is no magic key, and that the portals are wide open, if we will but walk through them, is gaining ground. Sir Ernest J. P. Benn has written to the London Times a significant letter which has brought, as its response, numerous supporting letters from old-fashioned folk who agree that less governmental interference with economics and not more is what we need.

Sir Ernest Benn shows that the result of the increase in governmental expenditure from five per cent of the national income in 1890 and 10 per cent in 1913 to 40 per cent in 1932 has been to divert from productive uses the major portion of the capital needed to keep economic affairs on an even keel. He says:

> "The drastic economic revolution represented by the growth of public expenditure is the basic cause of all our modern troubles and the reduction of this item is the one worthwhile public purpose today."

Speaking before the annual meeting of a large British trust the other day, the chairman said:

> "Admitting, as we must, the evils of unremunerative prices and widespread unemployment, may it not be worth our consideration whether old-fashioned remedies — saving and investing, wise spending, economy in governmental expenditure, reduction of taxation, honest money, a return of sanity among the nations — are not likely to furnish a surer basis for recovery than inflation?"

What is it that the world most needs today? It needs, obviously, stability of exchanges and the elimination of the excessively artificial barriers to trade. It needs a larger retention of capital in the hands of those who can best put it to productive work. It needs a holiday from politics and diplomacy, from paternalism and quasi-socialism, from governmental lifting-by-the-boot-straps, and likewise from buccaneering by those financial sharpers who take advantage both of excessive optimism and excessive pessimism.

What do the economic theorists and the politicians offer us? Managed currency, whatever that is; schemes for inflation; more barriers to trade; larger governmental expenditures; more socialism; propaganda to create international jealousies.

It is popular to argue that unrestrained capitalistic endeavor is rushing the world to the brink of ruin. Pulpit and platform orators, after luncheon speakers and pamphlet writers by the thousand tell us that the whole fabric of modern civilization is crumbling before our very eyes, and that something ought to be done about it. But can anyone recognize the capitalistic structure in the world today? The amateur architects of a new sociology have weakened it by their tinkering with the foundations. It isn't individualism but bureaucracy, aided and abetted by fanatical idea mongers, that has caused all our troubles. Why then should we trust the fanatics to find the way out?

Sound, sane and frugal habits and the unobstructed operation of natural forces will work out our economic and social salvation.

We have enslaved ourselves to the half-wit thinkers and need a declaration of individual independence. Perhaps such ideas are too simple for wide acceptance in a world that enjoys contemplation of its miseries. They certainly were unpopular in the twenties, the late fifties, and the seventies of the last century. But somehow they always came back to favor when the world found that mankind cannot put enough fools in high places to destroy itself.

There is a greater divinity of purpose in life than is apparent on the surface. In the continuous battle between sanity and radicalism the fact that political, social and economic progress is fundamentally constant, is obscured.

The pendulum is constantly swinging between order and chaos but it never quite reaches complete order, it never quite reaches complete chaos. There is in government, never complete autocracy and never complete liberty; there is in economics never complete individualism and never complete communism; there is in social life never complete happiness nor complete misery.

The economic pendulum has swung through the arc and it is swinging back today. It will inevitably and in good season find the middle point of swing that represents truer prosperity than the opposite extreme which most of us call prosperity.

CANADA, NOT BRITAIN, FATHERED PREFERENCE

TO READ speeches of some British statesmen and industrial leaders, one would think that Imperial preference started in the Old Country. The tenor of these British remarks is that if Canada does not respond to the new British preferences they will be withdrawn. Canada's preferences of long standing are ignored.

Ninety years ago the old Colonial system was still in force. The British parliament handled the fiscal arrangements of the Old Country and the colonies. Westminster-made laws provided for preferential entry of British goods in the colonies and of colonial goods into Great Britain. In 1842, the British Parliament passed a bill that gave the colonies virtual fiscal autonomy. Gladstone said that nothing was farther from the government's mind than leaving the colonies to determine what preference they would give the Old Country, but the colonies had more to say about it than Gladstone thought and Britain lost its preferences overseas.

A few years later when the Corn Laws were repealed the colonies lost their preferences in the British market because free trade permits no favors to be shown. Canada's grain and milling trade received a body blow but a petition from this country to the British government asking for restoration of a duty on foreign corn was simply ignored. Thus disappeared colonial preference.

But Imperial preference is another matter. It was in 1897, when Britain and Canada were alike self-governing national entities, that Canada made the great Laurier-Fielding gesture of a preference to Britain. It was not until the post-war McKenna tariff that Britain responded in any respect and not until a year ago that a complete response to Canada's gesture was made.

Imperial preference was born in Canada. Gladstone in 1846 said that the British government would force Canada to grant a seven per cent preference to Britain but Gladstone knew better than to try it. Fifty-one years later Canada gave the preference voluntarily.

Now certain British propagandists try to make the world believe that their recent preferences are the beginning of Imperial preference.

Of course, the mistake Canada made was to grant the preferences before Britain was in a position to negotiate a definite arrangement granting Canada something of advantage in return. There will be constant argument and bickering about Imperial preferences until they are put on the basis of a business-like bargain.

BILLIONS OF CREDIT AND STILL DEPRESSION

IS CHEAP money the cure for depression? It is popular to argue that pumping plenty of cheap money into the economic structure can always bring about a reversal in the business trend. Back of all the inflationary schemes of the moment is this thought.

But experience in the United States indicates that cheap money is in itself—and without basic improvement in general confidence—of little avail in revitalizing stagnant trade and stock prices. Ever since the crisis of 1929 (and before, for that matter), inflation has been the policy of the Federal Reserve Board. It has pumped an enormous total of credit into the banking structure without any visible effect on trade except the weakening of foreign confidence in the American monetary situation and the congestion of profitless capital at the larger financial centres where it is a burden upon the banks.

The New York rediscount rate is now 2½ per cent and the buying rate for acceptances is as low as one per cent. In addition, the Federal Reserve banks have tripled their holdings of government paper within one year and now own over $1,700,000,000 of United States securities. United States treasury bills are discounted by the banks at rates as low as the recent ridiculous figure of 0.29 per cent per annum.

What is the result of all this credit inflation? Steel mills are at 16 per cent of capacity, a new low. Stock prices are at a new low. Corporation bonds show no real improvement. Bankruptcies continue. The deflation goes on.

Cheap money is no more automatic in its operation as a restorative of business than any other of the thousand and one panaceas offered to business today.

The London Times, in a recent editorial, made a reasoned assault upon those who consider inflation the way out. It said:

> "Currency, or for that matter credit, inflation is not and never has been in any country in the world a wise way out of an unpleasant situation. It is not credit but confidence—that is, the opportunity to use credit profitably to the borrower—which is lacking. One of the main reasons for this lack of confidence is the present high level of taxation.
>
> "The cure for owing too much is neither to owe more nor to repudiate part of the debt by the involved method of currency depreciation. The real cure is for governments to spend less and to spend productively what they must, and thus leave the taxpayer with a better hope of being able to make a living."

PREFERENCES USELESS IF ON WRONG ITEMS

MUCH is being made in the press of the fact that the Dominions and Colonies receive free entry to Great Britain on manufactured goods on which a tariff of 10 per cent, later increased to 20 per cent, has been imposed. Canada is expected to respond to this gesture with big reductions in our own tariff against British goods.

Barring newsprint and lumber, we ship a very small quantity of manufactured goods to Great Britain. Canadian manufacturers cannot compete with the British manufacturers on the great majority of manufactured goods.

Probably 80 to 90 per cent of our exports to Great Britain are on agricultural products, provisions and food products. No preference has as yet been given on these lines with very slight exceptions.

If Canada had a general tariff of 20 per cent on agricultural products and allowed free entry to agricultural products from Great Britain, it would be a concession comparable to that which the British have given to Canada. The British would say at once that such a preference was absolutely useless as our costs of production of agricultural products were so much less than theirs.

The British tariff preference is yet of little value to us. Some sacrifices have to be made by established interests in both Canada and Great Britain if preferences of real value are to be worked out. In short, Britain has to give us substantial tariff preferences on the items we can sell her and we have to respond by aiding in Canada the sale of goods the British can produce much more cheaply than we ever can.

POST-scripts

MOOSE JAW is well favored with parks; Crescent Park, River Park, and the Wild Animal Park—the latter 500 acres in extent. Crescent Park, within four minutes walk of the post office, has been recently extensively improved through the efforts of the unemployed.

Now Crescent Park is to be equipped with a modern swimming pool at a cost of about $85,000. This pool will be supplied with salt water from a well 3,302 feet in depth, the flow of which is fully 100,000 gallons every twenty-four hours, and the maximum temperature 96 deg. Fahr.

Thus in the heart of the prairies fortunate residents and visitors will be able to enjoy a dip in the briny.

WE HAVE a friend living in St. Lambert, one of those garden city developments across the river from Montreal, who has a lot to say in favor of the "good old days." Not long ago he was called for grand jury service in Montreal. The session was one of only a few hours and according to law and custom, the jurymen lined up afterwards to receive their fees of $6 each. When it came to his turn to receive payment, he was surprised to be handed $8.

"Haven't you made some mistake in giving me $8, all the other jurymen were paid $6 apiece?"

The sheriff, or whoever looks after the payments, said: "Don't you live in St. Lambert?"

"Yes," was the reply.

"Well, then," the law officer continued, "you are entitled to receive $6 for jury service and, at the same time, it is customary to pay any resident of St. Lambert an extra $2 to cover the cost of feed and livery for his horse when he drives into the city for jury service."

WHERE is the Government that does not look after the farmer? Certainly our own government cannot be said to be backward in protecting the interests of the man on the land. The farmer is supplied with literature on how best to grow crops. He is given weather forecasts. Experts spend large sums in developing new types of grains. When some calamity occurs, the government is to the fore in rendering assistance.

Sometimes the governments go too far in helping the farmer, as evidenced by a dispatch from Winnipeg recently which said that the grasshopper menace in Central Manitoba was being largely offset by the activities of sea gulls and crows. The press dispatch continued: "Gulls and crows have gorged themselves on the millions of hoppers that threatened crops in the Lake Manitoba section, eliminating the danger quite as effectively as the poison mixture distributed to farmers by the government."

We wonder if the poison mixture was for the farmers or the grasshoppers.

A READER of The Financial Post wants us to campaign for the establishment of a National Sweepstake to pay off the national debt. We are sorry, but we are not prepared to back the idea.

Some of the points this reader makes are interesting. Gambling in sweepstakes wouldn't be any worse than gambling in the stock market and the investor might have a better chance, he thinks. Even the war was a gamble with the odds against the active participant. Business too is a gamble and yet we don't call all business men sinners, he continues. This is hair-splitting beyond our understanding. True there is speculation in business, in investment and in every activity of daily life but there is always a dividing line somewhere between speculation and gambling even if it is sometimes hard to see.

To our reader's argument that our people buy sweepstake tickets outside the country anyway and that a National Sweepstake would keep this money in Canada, we are cold. The old Spanish Prisoner racket used to get a few dollars a year out of Canada but that is no reason for operating it as a governmental venture among our own people.

This reader has offered the strongest possible objection to the plan when he says "For very many business reasons I could not even allow my name to appear in this connection." When some one of good sound business sense and a good reputation that he is willing to risk, comes out openly and lets his name appear on the proposal we'll be glad to take up the matter again.

Other People's Views

And We All Compete With the World

Vancouver Province.—Governments should visualize their provinces and cities as competing businesses. British Columbia should realize that it is competing with Ontario for industries. Vancouver is competing with Toronto. If British Columbia sells its product, that is, the B. C. market, at a higher price than does Ontario—if the taxes here are higher than in Ontario—industry will go to Ontario. If taxes are higher in Vancouver than they are in Toronto, industry will go to Toronto. If we lowered our taxes, we would decrease our revenue, but at the same time we might very well encourage more sources of revenue to come here and thus would really be in a much better position than before. If the province would devote its attention to the systematic development of mining and other natural resources, it might be able to reduce taxation instead of increasing it.

We have a heavy load of debt to carry due to past and present maladministration of our affairs. If our government were in the same position as a railway, an industry or a commercial corporation, the board of directors, or the cabinet, would be disgraced and dismissed if it continually showed deficits. But our governments have never looked upon themselves as directors of a business. Instead of balancing their budgets, they have produced deficits, borrowed money, raised taxes and repeated the process year after year.

If we would treat our governments as corporations which must make money and at the same time have as low taxation as other provinces or cities, we could cut out a lot of waste and inefficiency.

Avers Pre-1929 Prosperity Was American Delusion

Author of "Prosperity Problems" Analyzes Stock Market and Credit Boom and Finds It Bubble Unworthy of States

Almost anyone can now sit down and write a reasoned argument to prove the boom conditions that existed prior to the great headache of 1929 were thoroughly unsound. It is not difficult, in the light of what we now know, to debunk the inflationary prosperity that heralded the dawn of a new era. But hind-sight, necessary as it is to the historian, charms little enthusiasm from the general public when it is displayed by those who were active propagandists and supporters of the great boom.

The novelty of "'Prosperity' Problems" by Arnold G. Dana, is that it is written by a man who is able to say "I told you so." It will be noted that Mr. Dana puts the word "Prosperity" in quotation marks, and therein lies his commentary upon prosperity as we conceive it, a commentary that is well developed in this volume.

Qualified to Write

Mr. Dana was for 35 years on the staff of The Commercial and Financial Chronicle, New York, a conservative financial paper whose advice was largely ignored in the pre-depression era in the United States and whose current advice, in opposition to some of the inflationary panaceas proposed, is also wasted to a very large extent. Mr. Dana was always puzzled by the contradictions of American prosperity. He did not believe that there was any fundamental soundness in most of the contributing factors to that prosperity and from time to time he published articles in his paper analyzing the motivating influences of boom times, and forecasting the results of the inevitable reaction. Nine of these articles appeared between December, 1928 and October, 1929, and Mr. Dana has very properly reprinted them in this volume, together with other articles that were significant at the time and useful historical material at present.

When Prosperity is Delusion

Mr. Dana develops a favorite theory of his, which was the centre theme of his previous articles, namely that the American business man's conception of prosperity is something that can more properly be called inflation. But he shows that this inflation did not take the form of currency or monetary inflation but took other forms which in their ultimate results were the same as for example the German paper money inflation. The outward manifestations of this inflation or delusionary prosperity were the artificially stimulated boom in motor car buying, the construction boom, the Florida land boom, the installment buying excesses, the high wage theory, the stock market gambling, the radio boom, etc. The great inflation was highly selective; while stocks climbed to new levels, while real estate turned over at constantly increasing values, while radios and automobiles were sold by the million, there were scores of comparatively stagnant industries whose condition should have served as a warning of the true state of affairs. But a huge special demand in certain fields gave the United States the same delusion that it could have obtained from inflation of bank note issues, bank credits, etc.

Space will not permit a thorough summary of Mr. Dana's evidence in the case of the People versus Prosperity. But his documentation is excellent and the statistical record he gives of the automobile and radio booms, of credit inflation, of wage inflation, of the real estate and building boom and of governments spending are valuable now.

Affected Whole World

Mr. Dana does not confine his treatment to the United States but undertakes to indicate how the inflationary excesses in that country undermined the business prosperity of the whole world, demoralized foreign exchanges, ruined the gold standard and generally paved the way for the economic collapse. He readily blames the United States for the disastrous results of the pre-panic joy-ride.

This is a sober study of the economic history of the post-war period that ought to be read by all who are wondering just how the present trouble came into being. Mr. Dana does not moralize as much as this review suggests and he spends little time on pointing the way out. This is hardly necessary as his diagnosis of the trouble makes the proper remedies obvious.

Canada's Share in It

We in Canada participated in the American inflation and to some extent helped to contribute to it. We too were deluded into believing that a new day had dawned when all the more gloomy economic theories had been routed. Now we know better but how much better depends upon our analysis of what happened prior to 1929.

This is a volume which can be heartily recommended. It loses some clarity through a rather unfortunate excess of forewords, appendices, etc., for which the general index and the preface do not provide an adequate group of direction posts but this is a minor fault in a book of such soundness of opinion and truth of statement.

"'Prosperity' (or Delusion) Problems" is published by The Tuttle, Morehouse & Taylor Co., 125 Temple Street, New Haven, Connecticut at $3.

In the Mail

Looks to Trust Companies

Editor, The Financial Post,—

Articles and letters published recently in The Post regarding the trimming bondholders are presently receiving are very timely and a lot of us small bondholders, who are figuratively being hooked, heartily wish you to keep up the barrage against the so-called big financial men.

In this little town, there are a half dozen or so parties who during the past twenty years or so, have been taking financial papers like The Post, and sincerely trying to get the best information on all sound and apparently good issues. We have been fed with the A. B. C. of finance, showing the ranking of different securities, and their relative rating in case of default. We receive circulars and letters that a bondholders' meeting will be held on certain dates in Eastern Canada, to deposit bonds with some holding firm, and all that bunk, when, if we answered next mail the return letter would hardly reach the East in time for the meeting. Well they know that this scattered lot of bondholders are powerless. What is the apparently trustworthy trust company doing about our rights? When bond payment or interest thereon defaults, after a certain period is up, the property should automatically revert to the highest and lesser owners in a proper proportion.

All we can do in this matter at present is to trust that financial papers with guts in them will lay open all this rotten work. Rest assured, Mr. Bond Dealer, with your so-called membership in this and that stock market, with all your legal opinions on new issues, now we know they do not mean anything, and that our over-rated general managers and presidents of a lot of Canadian big businesses appear like so many cowards to investors. They lack the everyday honesty to take a loss themselves, but stick it out, and the public be damned.

We have often thought that so-called misers, or those who banked in a sock, were missing a lot of profit. We know full well now that a dollar saved, and kept, can at least be spent again. Jack gave his mother's cow away for a few beans. That grew a bean stalk anyway, but we give our money away for a piece of paper, chock full of legal phrases that would choke an ox. A person don't mind losing along with everybody else. That is the sporting element in us all. But we hate to see the big shots winning out at our expense.

SUBSCRIBER.

Forestburg, Alta.,
June 22, 1932.

Other People's Views

Why Balance the Budget?

National City Bank, New York.—A great many people today are puzzled in all sincerity as to why it is necessary to balance the budget. They look about them and see evidences on all sides of a lack of purchasing power among the people and they arrive quite naturally, though not quite so wisely, at the conclusion that the way to remedy the situation is for the government to create more money. This is a common mistake, and one which has laid the foundation for every great currency debacle from the days of the French assignats to the destruction of the pre-war currencies of Central Europe.

There are only two ways in which the government can put out more money, and both of them are dangerous. Either the government can simply set the printing presses to work and manufacture more money and pay it in meeting its maturing bills, or it can use its credit and borrow heavily by offering its securities in the open market. Neither process, however, can be continued indefinitely. The former is nothing more nor less than debasement of the currency and if persisted in will destroy its value entirely. The latter involves the government's credit, which is good only so long as it is not abused. Once confidence in that is lost, it will no longer be possible to find buyers for the increasing volume of government issues that have to be sold.

If there were any assurance that a programme of inflation by the government could be kept under control it would not be so bad, but unfortunately this is never the case.

And so long as there is any doubt as to the soundness of the government's fiscal policy business men and investors everywhere are unwilling to make new commitments. Caution rules everywhere, and money which should be flowing into business enterprise is held back, concentrated in the short-term money markets where liquidity and security are at a premium, or even withdrawn from the banks and hoarded or exported, thus impairing the ability of the banking system to extend credit and so adding new complications to the situation.

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Why did you delay Three Years?

THE President of a well-known Canadian company, and one of his Directors, (name on request) stood before newly adopted sales, administrative and production equipment in the plant office. The President explained, "We considered this purchase three years. The first direct selling message it speeded out produced $52,000 worth of orders." The Director inquired: "In view of such business-building capabilities, why did you wait three years to decide?"

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Business Conditions in Canada

The Week in Business

Second Half Prospects Better Than First

Textiles and Footwear Alone Gain in First Six Months

Trend of Prices Now More Encouraging

AS BUSINESS enters the second half of 1932, prospects for the future are ostensibly brighter than the record the past six months has left in its wake. Prospects for the largest crop since 1928 should shortly give impetus to many lines of trade and commerce and transportation agencies and all types of business catering directly to the Western farmer will undoubtedly be benefitted irrespective of the discouraging prospects as to what price the farmer will receive for his product.

If the crop can be sold and marketed rapidly the very physical movement of the crop and the new money which will thus be brought into circulation will be a valuable stimulus to business.

* * *

LOOKING back over the past six months, available business records show much that is disappointing. Cumulative figures of carloadings for the first six months are 16 per cent below the same figure of a year ago, the only commodity to be moved in larger quantities than a year ago being coke. Merchandise in l.c.l. lots and miscellaneous freight loadings are lower for the period by about 14 per cent. May retail sales, as computed through monthly index numbers by the Dominion Bureau of Statistics are lower by 23½ per cent than in May, 1931. Electric power output, which has held up exceptionally well, is currently lower by less than 4 per cent for the first five months of the year.

In manufacturing, the only important groups to show gains are footwear and textiles. Cumulative production of boots and shoes in the first five months is higher by nearly 5 per cent than a year ago and similarly textile activity, as measured by imports of raw cotton, is higher by the same percentage. Iron and steel and construction have suffered most severely, construction contracts awarded for the first six months as reported by MacLean Building Reports being 55 per cent lower than in the same period in 1931. On the basis of monthly returns of pig iron production, Canadian blast furnaces were working at only 20 per cent of capacity in May as against 45 per cent in May of last year. Cumulative production of pig iron for the five months ending May shows a still more unsatisfactory situation, total output in the period being lower by over 70 per cent than a year ago. Steel ingot production in the same period is but two-fifths of 1931. Lateness of the usual seasonal activity in getting under way due to inability of Ford to get into production before May 1 is largely responsible for this situation, as with construction and railway business at a low ebb, steel plants have been largely dependent on automobile business, which has been very late in arriving.

* * *

TRADE figures reveal a cumulative drop in imports of 33 per cent for the first five months and a drop of 23 per cent in exports. Employment in all industries (excluding agriculture) is currently 14 per cent below a year ago, the Dominion Bureau index for June 1 having failed to make anything like its usual seasonal gain for this time of year.

One satisfactory feature of the period was the slackening in the decline in wholesale prices. True Canadian indices still move fractionally lower but the decline since the first of the year has been less than 4 per cent and it is encouraging that for two weeks now the New York Annalist index of commodity prices has registered very substantial gains. Retail prices in the first six months of the year have declined nearly 5 per cent, while the total decline since the peak of January, 1930, has been 20 per cent. Wholesale prices are now over 31 per cent lower than the peak of August, 1929.

SEASONAL GAIN IN EMPLOYMENT BELOW NORMAL

Quebec and Maritimes Report Largest Increases

Employment at the beginning of June showed a seasonal improvement according to data tabulated by the Dominion Bureau of Statistics from 7,970 firms throughout Canada, whose payrolls aggregated 816,124 persons, as compared with 801,451 on May 1. This increase of 14,673 persons, or 1.8 per cent, brought the index number to 89.1, as compared with 87.5 in the preceding month and 103.6 on the same date last year. The index number at June 1 is lowest at that date since 1921 when the figure was 87.7. Since the gain in June was considerably below the normal seasonal increase, the revised index after seasonal adjustment continued its downward trend, into new low ground since 1922.

Construction showed large advances and there were smaller advances in employing in logging, due to river driving operations, and in transportation, manufacturing and services. Coal mining was seasonally slacker, while trade, on the whole, showed little change.

Quebec, Maritimes Gain

Quebec and the Maritimes recorded the largest percentage increases in employment although all the economic areas were better. There were 66,224 persons in 601 firms in the Maritimes as compared with 60,286 on May 1. The Quebec statement was tabulated from the returns of 1,891 firms employing 236,284 persons at June 1 as compared with 231,679 at May 1. Only a slight gain is recorded in Ontario, the comparative figures being 336,266 and 334,936 employed by 3,541 firms. The 1,149 employers in the Prairie Provinces employed 109,207 persons at June 1 as compared with 107,086 at the beginning of the previous month, British Columbia's gain was proportionately smaller than that of last year, the 67,464 employees of 788 firms at May 1 increasing to only 68,143 at June 1.

Montreal—An increase of 711 over the May 1 staffs was recorded in Montreal, where the 1,066 co-operating firms employed 134,895 persons. Transportation and trade are responsible for the increase as manufacturing and construction were slacker.

Quebec — Construction and trade increased employment of 141 establishments from 12,622 at May 1 to 12,793 at June 1.

Toronto — Gains in printing and publishing and iron and steel were offset by losses in manufacturing, construction and trade. There were 115,228 persons employed by 1,193 firms as against 116,164 at May 1.

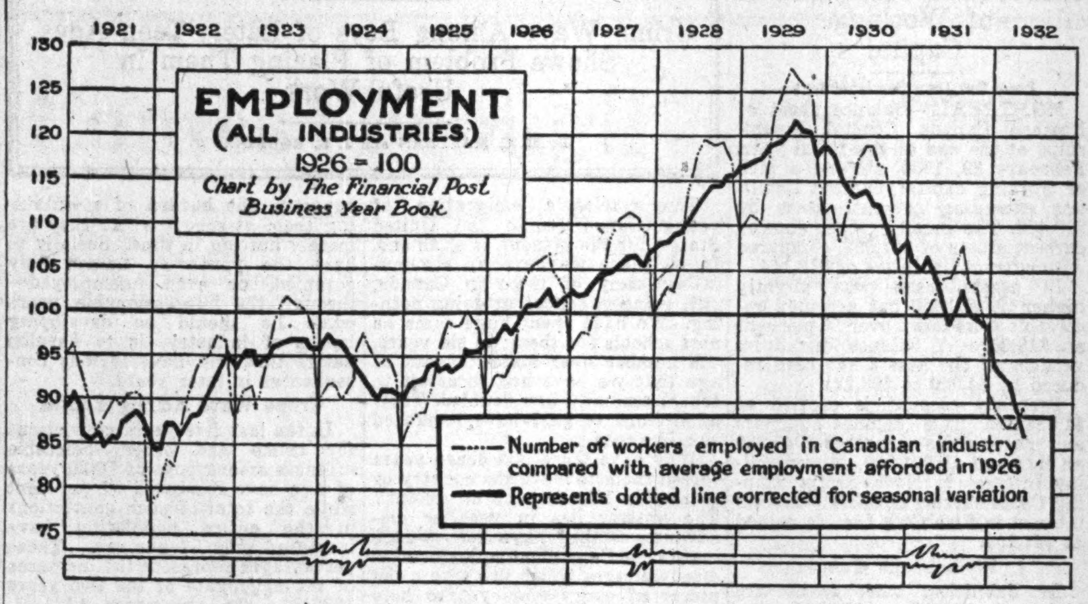
Ottawa — Little change recorded with 12,772 employees as against 13,070 at May 1. Manuafctcuring was busier but construction was off.

Hamilton—Lowered activity in textile and iron and steel plants reduced the number of persons employed by 234 firms from 27,506 at May 1 to 26,931 at June 1. Construction was more active.

Windsor and Border Cities—An increase of 365 to 11,673 is recorded in returns of 138 firms. Automobile factories are responsible

Winnipeg — Decreased activity in trade and construction was responsible for reduced employment The 378 employers co-operating reported 34,929 workers as compared with 35,314 at May 1.

Employment Index Back to '22 Levels



An upturn in the curve of Canadian employment is being misinterpreted in press dispatches from Ottawa in that no allowance is made for the customary seasonal trend at this time of year. After making allowance for this seasonal factor the index continues sharply downward and as at June 1 has dropped through 1922 levels.

Building Trade Paying For Past Boom Period

Outlook For Current Year is Anything But Bright—Keen Competition and Price Cutting Add to Troubles

Building and construction figurs are regarded as a fair index of business conditions in general but as the investment in building and construction represents in a great many cases profits made in boom periods, the industry is over-built for a time of depression. The outlook, therefore, for this industry, which has just completed the quietest six months period since 1918, cannot be said to be encouraging in view of the continued unsettled conditions throughout the Dominion.

With the keenest competition prevailing for any and every contract and consequent price cutting, very few sections of the industry are operating at a profit. Though the union wage scale has been redued to about $1 an hour for the various building trades unions, contracts are able to obtain ample labor as low as fifty-five cents an hour. In many districts the prices of raw materials have dropped considerably from those of a year ago. Those closely in touch with the industry state that there is a decrease of approximately 25 per cent in wage and material costs as compared with the summer of 1931.

Surplus of Construction

Engineering projects throughout the country were pushed ahead last winter under federal, provincial and municipal subsidies with the result that many cities and districts have already finished work which would not ordinarily have been commenced for a year or two. Hydro-electric projects completed during the past few years have made ample power available for industry even in good times and no increased activity can be expected in this line for some years. In every field, in fact, there is either a surplus of construction or a lack of ability or willingness to contemplate any constructional expansion until business is again definitely on the upgrade.

Just how much construction has fallen off during the past six months compared with the first six months of previous years is shown by figures representing the dollar value of construction contracts awarded during those periods and published by MacLean Building Reports, Toronto. For the first six months of the current year contracts awarded amounted to $74,761,200 as compared with $162,937,600 in the corresponding period of 1931 and $278,121,700 in the record first six months of 1929.

During the past few years the amount of construction in the first and second six months of each year has been approximately the same and on this basis the total for 1932 could be estimated at $145,000,000. This annual total is less than 25 per cent of record total made in 1929.

Contemplated Building Low

Figures for contemplated construction are also published by MacLean Building Reports and these show that during the first six months of 1932 a total of $113,000,000 was contemplated compared with $307,000,000 in the same period of the previous year. The usual proportion of contemplated work which is actually commenced is approximately 50 per cent but there is reason to believe that this percentage will be increased this year as most of the work contemplated is required for the carrying on of business.

Comparative figures of types of construction awarded in the first six months of 1932 and 1931 follow:

Six Months Contracts Awarded
In Thousands of Dollars

	1932	% of total	1931	% of total
Residential ..	15,711	21.0	42,173	25.9
Business	25,399	34.0	46,015	28.2
Industrial ...	3,690	4.9	9,130	5.6
Engineering .	29,961	40.1	65,619	40.3
Total	74,761	100.0	162,937	100.0

Ontario Suffers Most

Ontario shows the largest drop in contracts awarded as compared with the first six months of 1931 with a percentage decrease of 73.0, followed by British Columbia with 65.4 per cent. New Brunswick was the only province to show increased contracts, the increase being 4.4 per cent. Figures by economic areas for the first half of 1932 and 1931 are:

Construction Contracts—By Areas
In Thousands of Dollars

	6 Mos. 1932	6 Mos. 1931	% of Decrease
Ontario	27,389	64,442	73.0
Quebec	27,703	58,153	52.4
Maritimes	6,006	7,214	16.7
Prairies	9,115	20,106	54.5
British Columbia.	4,507	13,022	65.4
Dominion	74,761	162,938	54.1

May and June are usually the banner months in construction in Canada but the increase during the current year was very small for two reasons. The obvious one is that there was very little construction and the other is that relief construction work carried on during the winter held up the January and February totals. Total contracts awarded by months for the past three years follow:

Contracts Awarded—By Months
In Thousands of Dollars

	1932	1931	1930
January	12,738	20,299	37,530
February	14,803	25,930	28,464
March	10,767	27,312	24,263
April	10,113	22,708	48,779
May	14,186	36,896	46,862
June	12,155	29,793	54,728

Business Briefs

British Wheat Imports in May, according to Trade and Navigation Report, amounted to 8,820,807 cwt., of which total Canada supplied 3,580,259 cwt., Australia 2,315,498 cwt., Argentina 1,935,973 cwt., United States 944,903 cwt.

Car Loadings for the week ended June 25 amounted to 39,302 cars a decrease from the previous week of 5,434 cars or 12 per cent. The index number, after adjustments for seasonal variations, dropped from 71.36 to 62.14, a new low for 1932 and also for 1931. Decreases in wheat and lumber loadings as well as in coal, ore and merchandise are responsible for the large drop in total cars.

Canadian Wheat Stocks in elevators and afloat in Canada and United States totalled 137,697,577 bu. for the week ended June 24, an increase of 2,112,597 bu. over the previous week. For the corresponding week of 1931, there were 115,672,324 bu. in store.

Wheat Exports for the week ended June 24 totalled 18,176,060 bu. as compared with 16,648,659 bu. for the corresponding week of 1931. Montreal leads in total clearances for the week with 2,083,588 bu., followed by Vancouver with 1,030,462 bu. and United States ports with 669,000 bu.

Refined Sugar Shipments from Canadian refineries in the four weeks ended June 18 totalled 60,353,945 lbs. as compared with 70,882,017 lbs. in the same period of a year ago and 56,256,394 in the previous four weeks' period. Refined sugar manufactured during the four weeks ended June 18 totalled 73,721,634 lbs., a large increase over the previous four weeks' period when 58,751,252 lbs. were manufactured and greater than the 69,359,926 lbs. recorded in the corresponding four weeks of 1931.

TOBACCO FIGURES INDICATE SWING TO CIGARETTES

May Statistics Show Drop in Cut Tobacco Entered

From Our Own Correspondent

MONTREAL. — Figures on tobacco, cigars and cigarettes released for consumption during May, 1932, are featured by two things: a decrease in cut tobacco figures and a gain in cigarettes, as compared with the previous month. In this there is an indication that smokers are tending to swing back to ready-made cigarettes and to get away from a steadily growing habit of rolling their own out of cut tobacco.

Figures released by the government have showed a wide gain in the amount of cut tobacco entered for consumption in the past year while those covering cigarettes have dropped away sharply. But for the first time this year cut tobacco marketed in May fell below the previous month amounting to 1,436,417 pounds compared with 1,659,842 pounds in April and 1,487,028 pounds in May, 1931.

Cigarettes, however, totalled 312,790,532 pounds against 269,309,750 pounds in the previous month. The number entered for consumption in May, 1931, was 382,915,155 which figure only showed a marginal gain over the previous month in that year.

The number of cigars entered for consumption in May showed a slight gain over the previous month. The total was 10,552,455 as compared with 10,208,636 in April but figures show a sharp drop from May, 1931, when cigars entered for consumption totalled 14,737,327.

May Retail Sales Decrease in Seven of Eleven Groups

Index numbers of retail sales, issued by the Dominion Bureau of Statistics for May, 1932, show increased sales for four groups and decreased sales for seven groups as compared with the previous month. The combined index dropped from 94.4 to 92.3. Corresponding figures for April and May, 1931, are 116.2 and 115.4 respectively.

No correction of these index numbers has been made for seasonal influences nor is there any allowance made for price changes.

Index numbers are based on returns from 83 chains, comprising approximately 2,700 stores, and 25 departmental stores. Index numbers for all groups behaved as follows:

Hardware made the chief gain, rising from 93.9 to 120.1. Boots and shoes rose from 87.3 to 87.5; candy from 72.3 to 79.3 and general and departmental from 102.8 to 104.2.

Drugs showed the largest drop, falling from 87.4 to 79.3 in May. Other groups which decreased were: clothing from 98.4 to 94.8; dyers and cleaners from 127.8 to 119.6; furniture from 53.6 to 52.9; groceries and meats from 92.4 to 85.8; music and radio from 28.6 to 26.6, and restaurants from 68.0 to 64.9.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	1931	Cumulative Jan. 1 to date 1932	1931
Transportation—				
Car loadings (June 25)	39,302	52,044	1,038,857	1,208,542
C.P.R. gross earn. (June 30)	$ 3,387,000	$ 4,009,000	$ 57,640,000	$ 71,990,000
C.N.R. gross earn. (June 30)	$ 4,100,812	$ 4,919,050	$ 70,187,818	$ 88,275,845
	Monthly			
C.P.R. net earn. (May)	$ 737,365	$ 1,074,249	$ 3,673,263	$ 4,886,535
C.N.R. net earn. (May) ..	$ 731,794	$ 440,689	$ 1,180,818	$ 1,434,040
Iron and Steel—				
Pig iron, tons (May)	13,339	50,511	69,038	243,400
Steel, tons (May)	29,239	75,235	162,370	406,272
Automobiles prod. No. (May)	8,221	12,738	32,557	59,250
" exports, No. (May)	374	1,569	2,317	9,367
Construction—				
Building Permits (May) ..	$ 5,289,506	$ 12,115,291	$ 18,190,794	$ 50,356,550
Contracts (June)	$ 12,154,700	$ 29,793,400	$ 74,761,200	$ 162,937,600
Newsprint—				
Production, tons (May)	175,890	202,610	842,880	944,350
Exports, tons (Apr.)	138,785	152,360	625,793	650,503
Sugar—				
Imports, raw, lbs. (Apr.) ...	35,447,400	41,059,000	169,840,300	162,437,100
Melt. & ship., lbs.*	64,566,796	81,036,063	207,549,836	251,794,244
Manufactured, lbs.*	58,751,252	76,655,478	§200,078,899	242,192,048
Flour—				
Production, bbls (April) ..	993,385	1,058,311	3,740,470	4,344,378
Wheat flour exp., bbls (May)	461,867	481,265	1,801,365	2,174,964
Other Industrial Indices—				
Lumbering: Plank & board exports mill ft. (May)	62.94	80.77	297.39	372.53
Boots & shoes, pr. (Apr.) ..	1,523,492	1,669,917	5,914,305	5,661,736
Petroleum, imp. crude, gal. (May)	109,520,000	107,210,000	337,031,589	346,980,908
Cotton, imp., raw, lbs. (May)	12,463,000	8,405,000	42,507,000	40,988,000
Rubber, raw, imp., lbs. (May)	3,171,000	6,155,000	20,322,892	25,684,491
Coal, imports tons (May) ..	1,039,887	1,191,017	3,432,136	4,167,411
Gasoline sales, gals., (Feb.).	24,157,570	......	54,123,957	......
Trade—				
Imports (May)	$ 44,353,710	$ 73,457,404	$ 201,296,804	$ 301,390,060
Exports (May)	$ 40,594,404	$ 59,838,245	$ 182,117,221	$ 237,307,082
Wheat exports, bus. (May)..	15,543,013	29,521,699	52,348,645	67,103,490
Labor—				
Employment Index (May) .	87.5	102.2	....	....
Electric Power—Output—				
M. Kilowatt hours (May) ...	1,273,519	1,365,786	6,747,850	7,022,142
Finance—				
Failures, No. (Apr.)	190	175	857	781
Failures, Liabilities (Apr.) .	$ 3,170,679	$ 3,184,198	$ 14,279,102	$ 15,026,005
Bank Debits† (May)	$ 2,175,000	$ 3,171,603	$ 10,334,024	$ 13,731,606
Bond sales (May)	$ 24,423,371	$ 27,477,027	$ 139,429,091	$ 274,168,114
Insurance sales (May)	$ 30,998,000	$ 41,314,000	$ 177,570,000	$ 215,275,000
Automobile Financing:				
Used cars (May)	$ 1,768,939	$ 2,877,442	$ 5,739,999	$ 10,135,446
New cars (May)	$ 2,025,498	$ 3,489,738	$ 6,020,723	$ 10,536,332

*Four weeks' period, Apr. 24 to May 21. §Jan. 1 to May 21.
†(000's omitted).

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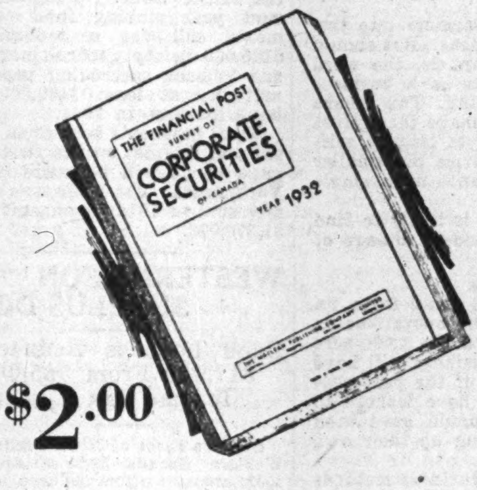

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DRYDEN PAPER EARNINGS COVER BOND INTEREST

Profit Margin Still Low With Activity on Restricted Scale

From Our Own Correspondent

MONTREAL.—Though earnings of Dryden Paper Co. have shown no tendency to improve during the current year, it is understood that profits are sufficient to cover bond interest requirements to date. The company has outstanding $1,500,000 of six per cent first mortgage bonds.

In the fiscal year ended September 30, 1931, earnings from operations totalled $77,940 and after addition of other income total revenue was $95,311 compared with interest of $90,000, payment of which left a net profit, before depreciation or taxes, of $5,311. In the previous year, $100,000 had been provided for depreciation and depletion.

Low Kraft Prices

Dryden Paper suffers from the same conditions which affect all operators in the pulp and paper industry. The declining demand and low prices restrict plant activity and earnings; in the kraft industry, over-production exists, bringing about a situation similar to that prevailing in the newsprint industry.

Even operations of that valuable backlog, the Bates Valve Bag Co., which manufactures cement bags in the Dryden plant have been affected. This company caters to the cement trade, and lower constructional activity together with reduced demand for cement has curtailed output of bags from the Dryden unit.

Dryden Paper Co. sells most of its kraft output in Western Canada. Expectations of a large crop in the Prairie Provinces, with the possibility of improved business conditions, lend some encouragement to the outlook of the paper company. The balance sheet at the end of the last fiscal year showed a satisfactory liquid position.

HOLDERS FRASER 6 PER CENT NOTES BAND TOGETHER

Form Protective Committee — Meeting on Plan Adjourned

From Our Own Correspondent

MONTREAL.—Holders of the $3,500,000, 6 per cent notes of Fraser Companies met on June 30 to consider terms of the plan of reorganization as it touched their securities. There were represented $1,404,000 of the notes which was insufficient to form a quorum so the meeting was postponed for 21 days in accordance with the terms of the trust deed.

Following the adjournment an informal meeting of noteholders was held at which considerable opposition to the plan developed. Hamilton Cassels, K.C., of Toronto, and E. A. Harris, K.C., of Toronto, representing about $250,000 of the notes, stated that the plan in its present form was wholly unacceptable to noteholders.

Form Protective Committee

Accordingly formation of a protective committee was authorized. The following were named: Hamilton Cassels, E. A. Harris, Arthur Jones, and W. Weinfield. A fifth member will be appointed later.

This was the first meeting of Fraser Companies security holders to be held since the reorganization plan was made public. The noteholders are asked to accept new 6 per cent first mortgage bonds of the Restigouche Co. par for par, in exchange for their present holdings. The present notes were issued in July, 1929, and matured July 1, 1932.

The next meeting of noteholders will accordingly be held on July 21 when the question of passing on the reorganization plan in general and the exchange of 6 per cent notes in particular will be considered. Those present will constitute a quorum.

CANADIAN PAPER FREED FROM CLAIM

Action Against Investment Holding Company is Dismissed

From Our Own Correspondent

MONTREAL.—An action for $625,000 or 6,250 shares of the Mille Iles Power Co. brought by R. A. Whiteford against Canadian Paper and Power Investments, Ltd., has been dismissed by the Superior Court. The action was based on an agreement by which Whiteford undertook to secure properties along the river bank of the Mille Iles River near Terrebonne which would be needed to flood the river to a level of 60 feet above sea level and produce a minimum flow of 6,000 cubic feet per second.

The court held that Whitefield failed either to secure governmental authorization or the properties required. Further, the court held that the scheme, which included construction of a hydro-electric development was commercially impracticable. It was shown in evidence that the company would be obliged to sell power at $80 a horsepower in competition with other utilities which are selling it at $15.

Canadian Vickers Will Repair Drydock

From Our Own Correspondent

MONTREAL.—All the repair work to be done on the floating drydock of Canadian Vickers will be carried out at the company's own yard which is also able to look after any other ship repairs that may develop during the current season. This statement was included in an official denial that repairs would be undertaken in a shipyard at Lauzon.

The drydock was damaged in a series of explosions and fire recently; it is estimated that $500,000 will cover the damage to both the dock and the vessel which was in at the time of the explosion. No official estimate has yet been made public.

Canadian Vickers is presently active in repairing two government icebreakers as well as a government dredge. One section of the floating drydock is still available for service and can handle a wide range of business.

Farming in Future Must be Way of Life

Not a Business and Should Not Depend Upon Credit, Argue Writers on Agricultural Sociology

By TRIPTOLEMUS

Recently a talk on the agricultural crisis and its relation to the present world depression was delivered before a group in Toronto. It was suggested that many business men and others, who are concerned with the immediate future of agriculture, would be interested in the material that was gathered together. It has been made the basis of a few articles.

Each article is complete in itself and covers some particular period of development of the world agricultural crisis. This is the last of the series.

What will be the profound movements in agriculture tomorrow? What will bring agriculture out of its present world crisis? Deep-seated questions these, but logical ones to ask after our review of the economics of the agricultural crisis.

In our answer we must summon up both economics and philosophy. And at best we can do little more than suggest texts for further study and speculation.

Solution of the agricultural crisis is bound up with a solution of the world problem. The barriers to recovery are largely the same as the barriers to recovery in other fields; lack of an international monetary standard which would make free interchange of commodities between nations possible; the existence of high tariffs and other manifestations of super-nationalism that have the same effect; the burden of debt which remains yet to be deflated; the equally heavy burden of high costs due to inflated land values, heavy taxation, freight rates that are out of line with prices, etc.

Twin Problems of Debt and Taxes

Two chief factors will make it difficult for farming to get out of the maze of too much business and into the simplicity of a way of life. These are debt and taxes.

What the farmers of the world owe today we cannot say. But there will have to be a wholesale writing down of farm debts. To some extent it will be accomplished by the process of foreclosure. To some extent it may be accomplished by a straight writing down on the part of creditors. The majority of farmers want to pay their just due debts. But even many who wish to will not be able to do so. In this respect they are little different from holders of city real estate, borrowers from the bank and industrial corporations.

The process of writing down would be made easier—and in large measure avoided—if prices come back to the 1929 level. But what assurance have we that prices are coming back? Each day that passes makes the possibility of a restoration of the price level more remote and the necessity for a deflation to the present or a slightly higher price level more apparent.

And a restoration of prices would not solve the fundamental farm problem. It would help the farmers' creditors but would it help the next generation of farmers?

International Credit Schemes of Little Value

Vast international schemes for loaning more money to farmers will not bring the world out of agricultural depression. Farmers the world over have been cursed by too much credit. A sounder basis for agricultural credit is needed, one that recognizes the distinction between the peasant farmer and the business farmer; one that goes just far enough in financing expansion and marketing without leading to vast over-production and consequent deflation.

Another factor that has greatly altered the basis of agriculture is that of taxation. There is no little futility in talking about making the farmer self-dependent and in urging him to consider his own family life first and his cash crops second when the necessity of raising money to pay heavy taxes is a pressing one. The farmer requires cash for clothing, for education, for the minimum amount of city-made luxuries that no one would deny him, even for life insurance, or for bonds and stocks. And he requires cash for taxes. More and more the pressure of changing civilization has forced the farmer to measure his income in dollars and cents because more and more the things that make up life for him have had to be bought in the coin of the realm. Farming has receded from the position of being a way of living in the degree to which cash has become a factor in the farm budget.

Farmers Largely Determine Own Local Taxes

If we are to deflate farm indebtedness and eliminate most of the credit now utilized in agriculture we must likewise deflate farm taxation. The problem is more easily presented than solved. The interest of the farmer in lowering of governmental costs is direct and immediate. Studies have been made that show that the growth the local taxes imposed upon the average farm is simply enormous. The farmer's share in solving the problem must be most directly in protest against any onslaught upon the burden of local taxation for, in the ultimate analysis, any farming county can largely determine how much local government it requires.

That word "peasant" used above in classifying farmers into two groups conjures up an idea repugnant to Canadian ideas. But should it? Whatever the dictionary definition of a peasant is, the word implies the individual who carries on farming less as a business institution than as a happy, comfortable mode of living. This means more self-supporting farmers, men and women who make themselves immune from world depression by making themselves largely self-supporting on their own farms. This means more farms but smaller ones. It means greater diversification and less reliance upon single crops.

It suggests, too, that the unemployment problem is likely to find a measure of solution in a movement back to the land—a change of emphasis from urban society to rural society.

Still Room for Large Business Farms

There will be, of course, alongside this contented small farm, an increasing number of farmers who will conduct their operations as a business; for instance, the 5,000-acre ranchers and the 1,000-acre wheat farmers. But the men who engage in this business will have to be men of capital. One of the sorrowful features of the past generation in farming has been the fact that farmers have learned to rely upon credit for their expansion when they should have been relying upon the slower and surer method of building up their own capital.

There is nothing inherently unsound in adapting business methods to farming. But there is much that is unsound in trying to make business men of the rank and file of farmers.

Farmers Because They Love the Soil

People are constantly urging the farmer to find greater prosperity by applying business methods to his farming. Others urge mechanization of farming to the 'nth degree. But is agriculture part of modern industrial civilization? Is it capable of being run on the same lines as great industries or financial institutions. There are two types of society, it is pointed out by Swanson and Armstrong in "Wheat"—the urban and the rural. Farming remains essentially part of the fabric of rural society even though modern urban society has influenced it greatly, not without adding to its problems.

"Men are farmers because they wish to live in the country, and love the soil.... They are not the mere economic units used by many students to obtain their formula showing how agriculture will change in the future. They are definitely human beings, to whom a certain piece of prairie, or some special corner of the hills, is home.

"Their valuation of everything in life is affected by that." The quotation is from the same authors.

Too Much Debt Is Farmer's Undoing

Swanson, in another book, says:

> "This economic urge to independence is very visibly working on the life of our western farmers today. It will interpret itself in a new type of agriculture—one in which the basic plan will be that every homestead shall be provided with the livestock, the garden, and the potato field needed to provide for the home; and that, after that, we shall produce wheat, oats, barley or whatever the conditions of the time may make our most profitable method of obtaining funds for those commodities which we must buy, and the surplus revenue on which we plan to base the advancement of the farm home in the scale of comfort, of intellectual enjoyment and of leisure.
>
> "In addition, however, to this wise tendency to seek safety, the rural life of Western Canada is being deeply affected by a purely social force—an increasing love of the land."

A similar view is that of Lawrence Dennis, who writes, in "Is Capitalism Doomed?": "Welfare, which means emphasis on security rather than on profits, should be the farmer's chief preoccupation. Too much business and too much debt have proved the farmer's undoing."

Mr. Dennis concludes that there is virtually no place for credit in the farm picture, a conclusion which will not find agreement in many circles but, at most, it is only an exaggeration of a profound truth. But even the League of Nations report in "The Agricultural Crisis," which makes no pretence at examining into farm philosophy, admits that the modern credit system is largely stacked against the farmer.

No Sign of Early Agricultural Boom

And so in brief we have had an outline of the development of the agricultural depression, the most serious phase of the present world depression and for a number of reasons. One is that agriculture's plight was the starting point for this depression. Another is that the readjustments that are necessary are very far-reaching in comparison with the lack of mobility in world agriculture as a whole. Another is that agriculture remains the most basic of industries because it is the occupation of the largest number of people the world over, and because it caters to the most primitive of human wants—food supply—and because it is based on the land, which is the one tangible form of capital.

The world will be many years adjusting itself to the new conditions and bringing agriculture to a condition of prosperity. The best that we can hope for is that farmers the world over will within the next decade be able to get rid of their debts, their surplus production and the other legacies of the war so as to start afresh the process of rebuilding.

(The End)

EASTERN CANADA COASTAL SHIPS REVEALS STATUS

Balance Sheet Shows Lack of Working Capital

From Our Own Correspondent

MONTREAL.—Balance sheet of Eastern Canada Coastal Steamships at the end of the fiscal year, February 29, 1932, showed a lack of working capital, current liabilities exceeding current assets by $16,476. The balance sheet showed current assets of $61,668, compared with current liabilities of $78,144.

In assets, cash was slightly higher at $10,660 but accounts receivable were down over 50 per cent at $18,259. A balance due from vendors of the assets has been reduced by $4,000 to $23,221.

Property account is carried at $1,084,236. This includes steamers and motor ships valued at $947,239 an increase of $21,000. A controlling interest in Nova Scotia Shipping Co. is carried at $31,410 and an interest in Fish Coll, Ltd., is valued at $41,700.

Bank Loans Gain

In liabilities, bank loans are higher by $1,000 at $16,000. Accounts and notes payable have gained $9,000 at $49,178. During the year there were redeemed $12,000 of six per cent first mortgage bonds leaving $538,000 outstanding. Depreciation reserve is down $5,000 at $20,000 and a sinking fund reserve of $12,200 has been established. Capital structure is unchanged. Capital surplus has been reduced by $23,000 to $81,891 and an operating deficit of $963 replaces an operating surplus of $6,608.

Figures on earnings published previously, revealed net earnings of $38,451 in the year ended February 29, 1932, compared with net earnings of $98,231 in the previous 17 months period.

COURT APPROVES ATLANTIC SUGAR AGREEMENT PLAN

Company Retires Last of First Mortgage Bond Issue

From Our Own Correspondent

MONTREAL.—Plan of agreement between Atlantic Sugar Refineries and General Sugar refineries, approved by shareholders at a recent special meeting, has been sanctioned by the court. It is expected that conveyance of securities between the two companies will be effected immediately.

Under the plan preferred shareholders of Atlantic Sugar get one share of class "A" preferred stock, together with $82 of debentures for each share held together with arrears of interest. Common stockholders get $30 in cash for each share held.

Retires Senior Issue

On July 1 Atlantic Sugar Refineries retired the entire issue of 6 per cent first mortgage bonds totalling $70,000 leaving the general mortgage bonds, of which there are $3,551,247 outstanding as the senior issue. During the current year sinking fund requirements call for a reduction of $125,000 in the general mortgages and in each succeeding year until maturity at least $400,000. The issue matures in 1941.

Final payments both as to principal and interest on the first mortgage bonds will be made in New York funds. The issue was originally sold in 1914 to an amount of $1,570,000.

WESTERN NEON SURPLUS DOWN

Bank Loan is Reduced to $17,000 From $65,000; Income Tax Higher

Balance sheet of Neon Products of Western Canada Ltd. at April 30, 1932, shows surplus reduced to $65,166 from $71,161 brought forward from the previous year, and indicates that the special dividend of 25 cents per share paid Dec. 21, 1931, was made in part from surplus, although no income and surplus account is attached. Working capital position has been somewhat improved but current liabilities will exceed current assets by $50,398.

Current assets are down to $38,817 from $43,067 although rentals in arrears are up to $25,712 from $19,597. Current liabilities are down to $89,215 from $134,085 due to reduction in bank loan to $17,000 from $65,000. Accounts payable are down to $32,381 from $38,992 and income tax reserve is up to $35,334 from $22,856.

TELEVISION FIRM SELLS SECURITIES

Canadian Television Offers 200,000 Shares of Common

From Our Own Correspondent

MONTREAL—An offering of 200,000 shares of no par common stock of Canadian Television Ltd. marks the first public sale of securities of this industry in Canada. Authorized capital is 350,000 shares. The prospectus states the company has secured exclusive licenses for the commercial use in Canada of the television developments of Jenkins Television Corp. of the United States and Baird Television Ltd. of England. The company is also entitled to all future inventions developed or acquired by these two companies.

Canadian Television will manufacture transmitting apparatus for broadcasting stations and receiving equipment for use in homes and theatres. Negotiations, it is stated, are under way for installation of television broadcasting stations in Montreal, Toronto, Ottawa and other cities.

Agreement With Neon

The company will establish research laboratories in Montreal and a joint research agreement has been made with Claude Neon General Advertising in connection with television gaseous lamps. It is the stated policy of Canadian Television to avoid large investments in fixed assets.

The prospectus lists the numbers of patents issued and applied for. President of the new company is Douglas L. West, Montreal, formerly chief engineer, Baird Television Corp., N.Y. Directors include: Leslie S. Gordon; W. J. Jarrard; J. E. Labelle; J. H. Rainville; J. W. Ross; Ernest Savard and Ayme Lafontaine.

Younger Men Lose Out In Canadian Industry

Crime Wave Among Boys of Later 'Teen Ages Shows Problem of Placing Them in Useful Work

By M. C. MACLEAN and J. E. ROBBINS

The wholesale emigration of young Canadians to the United States, for the present, is at an end. In its place we have an accumulating army of them in Canada, still going to school, or doing nothing. We have spent huge sums on new schools for them; in six years, the number over sixteen years of age that we have had to admit to school annually has doubled. Their admissions to gaol have increased at a like rate.

Why have these last dozen years forced them to leave the country or to remain idle to such an extent? The answer lies in peculiar disadvantages they have had to face in seeking Canadian employment,—disadvantages which are within the power of every employer to help remove.

One In Nine Gets Adult Jobs

The census of 1921 showed that nearly 90 per cent of the boys and young men between 16 and 20 years were confined to farm labor, unskilled labor, apprenticeships, school attendance, positions easily occupied by girls, and unemployment. The proportion of younger men in these "occupations" was more than double the proportion of their elders so engaged. Only one in nine of those in the 16-20 age group had found an adult job. In 1911 the young man was not so handicapped. He was not limited to such an overwhelming extent to a few possibilities of employment. To the contrary in 1931, there is convincing evidence that his opportunities were drastically narrower than ten years earlier.

One reason for him losing out has been immigrant competition. By 1921 our big immigrant influx of the earlier years of the century had pretty well permeated every branch of our economic life. These newcomers were of working ages—the ages apparently favored by employers, except for the few kinds of employment just mentioned. For every 10 immigrants between the ages of 10 and 25 there were 36 older, whereas in the Canadian-born population there were not 15 of the older for 10 of the younger. On the basis of these two facts alone—the older ages of the immigrants, and the preference to older men—the chances of the foreign-born population obtaining an adult non-laboring job were more than double the chances of the Canadian-born, man for man.

Not Favored By Employers

The odds that the immigrants enjoyed against the young Canadians alone were much greater. If the latter were not to suffer from the age handicap it was necessary for industrial employers to favor them strongly on other grounds. But there is convincing evidence that they did not. The record of ten years shows that more than half of the increases among gainfully-employed native Canadians were in farmers' sons and laborers, while more than half of the immigrants' gains were in office employees and trade.

Such is the apparently inexorable outcome of superimposing on a normal population vast numbers in the prime of life. The irony of the situation will become apparent in a few more decades when the youths finally become established and are called on in taxes to pay old age pensions to their former competitors—the abnormally numerous older group, as the latter begin to reach 70.

Female Workers Gain

In the ten years immediately past, the younger men and boys have lost even more heavily to female workers than to older men. While the final results of the 1931 census must be awaited to apply the yardstick, there is every indication meanwhile that the magnitude of the displacement is such as to present a serious national problem. The movement gained momentum in the war years when the services of the younger men were demanded overseas, and instead of the positions being returned to their former type of occupant, the women have become more firmly entrenched. The situation is not without its ironic features too, for the young Canadian here, in place of pensioning at seventy his earlier competitor, must expect to become her lifelong support, while she is still at a very much earlier age.

Preference to Returned Men

Apart again from the restriction of opportunity that the youth of the last decade has suffered at the hands of the immigrant and the female worker, time and again he has had his hopes blasted by the effect of the conscious preference to returned soldiers, given by every public body and many important industrial corporations. And, to cap it all, when depression settled down, he found himself confronted with a further insurmountable barrier, the preference to married men. The fact that these preferences are just and necessary does not detract from what they have added to the plight of the younger workers.

Rise In School Costs

Unable to find employment, many of the boys have lingered on, often uninterestedly, at school. In some of our biggest provinces the increase in the last two years alone, in boys of 16 and older at school, has been as high as 50 to 70 per cent, while the increase in girls at the same age has been only half as great, and the younger school population has actually decreased. And these proportions are piled up on the top of steady increases over the last ten years.

This extra education might be a good thing if it were of a type to suit the additional boys, or if they were of the turn of mind that would benefit from it. But the loud protests of teachers at their older "parkers" and "repeaters" are unmistakable testimony that many of the boys are misfits, and that the recent general extension of their period of dependency is a grave misfortune.

Economically there is, in addition to the loss of their productive capacity, the burden of maintaining them at school where they are merely putting in time. Socially to have the youth so unprofitably occupied, or even unemployed—through the impressionable years when he should be developing habits of industry—is to develop habits that will have serious consequences in later years.

Crime Wave Among Youths

In the last five years convictions for crime and other indictable offences among boys of 16-20 years of age have increased 91 per cent while the total of such convictions in the entire population have increased only 57 per cent. These percentages represent the increases of the aggregate of the two years 1929-30 over the years 1924-25. Such an alarmingly disproportionate increase can not but be associated with the enforced idleness of the boys.

Don't Need More Education

Such is the plight of youth—some of the causes and results. It can scarcely be doubted but that it would be worse, were it not for the extent to which educational authorities in the last dozen years have provided additional school accommodation, including industrial and technical schools. The present and near future is an inopportune time to hope for a further increase in the number of such schools, which would require heavy capital expenditure at a time when there are too many other abnormal demands. But this is not so important. It is not more school that the boys need; it is work—a chance to earn a living.

What does suggest itself as having possibilities in a scheme for settling Canadian boys on farms—some organized assistance in this direction such as the scheme for settling British boys has received. Farm labor, not including farmers' sons is the most important occupation of the younger men. The fact that population conditions have for fifteen years been limiting the range of their choice outside of agriculture is a very good reason for expecting that some additional stimulus in the same direction might easily be productive of results. Such a scheme would at least have the advantage of being in accord with the established trend of recent years, and in practice could conceivably constitute a phase of the general back-to-the-land movement that has been placing older men and families on farms in the last two years.

Eliminating Competition

It is doubtful though if the quest for remedial measures should confine itself to accepting the situation that has arisen, and seeking palliatives for it. Any permanent remedy will in all probability have to remove some of the causative factors. Four types of competitors against whom the boys are at a disadvantage have been noted above—immigrants, girls, returned soldiers and married men. The last two we all accept as inevitable. As to the ethics of competition from girl workers, opinions are bound to vary, but all will agree that it is extremely difficult to control on any broader basis than that of the individual employer. To the contrary, whatever may be said of the propriety or desirability of immigrant competition, the ease with which it may in the long run be controlled can not be questioned.

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New Regulations Govern German Cheque Collections

In order to limit as far as possible the export of currency from Germany, the Landesfinanzamt recently issued new regulations regarding the forwarding of cheques drawn on German banks to persons living in foreign countries.

These new regulations, which are dated January 10, 1932, provide that cheques received in Germany, drawn on accounts in Germany by citizens, are to be credited to persons living outside of the country, only if they are accompanied by a special permission issued to the drawer by the competent German authority (Landesfinanzamt), or if they bear the remark that a general permission has been granted to the person sending the cheque.

Persons in Canada dealing with Germany are warned by the German Consul General in Montreal to see that this permission has been granted the payee before accepting cheques drawn on a German bank

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SECOND SECTION

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SECOND SECTION

Vol. XXVI Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 9, 1932 10c a Copy; $5.00 a Year No. 28

LOBLAW PROFIT IS MAINTAINED AT HIGH LEVEL

Earns $1.23 Per Share on A and B Stock; Retires Some "A"

CASH IMPROVED

Sales Are Down 11 p.c. But Physical Volume is Greater and Customers Increased

Indicative of the comparative stability of food manufacturers and food distributing chains, the annual statement of Loblaw Groceterias Co. again shows profit well maintained at the rate of $1.23 per share on class A and class B stock and substantial improvement in working capital position. In the previous year, ended May 31, 1931, the company earned $1.27 per share and in 1930, $1.28 per share. While prices of foodstuffs have continued to decline and gross sales of the company are down to $15,120,933 from $17,010,191 unit volume of sales has increased as well as the number of customers.

Profit for the year, before provision for Federal income taxes, was $1,180,840, approximately two per cent under the $1,206,634 shown the previous year. Profit derived from special departments and interest on investments continue to form a large part of profits of the company and the current statement shows bank balances and high grade investments higher by $600,000 than in 1931. During the latter half of the fiscal year several new stores were opened giving a net increase of five stores for the year. In all of the new stores the company is selling meat, a policy inaugurated late in 1931.

Income and surplus account of the company is as follows:

Income and Surplus Account
Years Ended May 31

	1932 $	1931 $
Gross sales	15,120,938	17,010,191
Net earnings	1,180,841	1,206,635
Less: Inc. tax res.	140,000	122,000
Net profit	1,040,841	1,084,635
Less: Class A divd.	372,928	374,033
Class B divd.	306,640	306,640
Surplus for year	361,273	403,962
Add: Prev. surplus	2,225,075	2,205,599
Less: Sundry tax adj.	84	560
Addit. inc. tax	19,070	23,926
Res. on invest.	275,000	......
Goodwill w/o	......	360,000
Surplus forward	2,292,194	2,235,075

In current assets, the company is shown to have substantially improved an already strong liquid position and despite increase in the number of stores inventories have been reduced to $1,359,882 from $1,776,564, a drop of 23.4 per cent partially accounted for by decline in commodity prices. Holdings of government and municipal bonds, at cost, are up to $707,350 from $298,448, and $400,000 has been put in guaranteed investment certificates. Cash on hand is little changed at $378,711 and cash on special deposit is down to $418,271 from $630,683. Reserve of $275,000 has been established on investments.

	May 31, 1932 $	May 31, 1931 $
Current assets	3,376,940	3,168,421
Current liabs.	883,758	1,005,595
Working capital	2,493,182	2,162,826

Investment in Loblaw Groceterias Inc. remains unchanged and is carried at $261,000, while life insurance is up to $46,051. Holdings of real estate are up to $327,485 from $303,985, and other capital assets to $3,412,754 from $3,243,166 before depreciation. Reserve for depreciation was increased to $1,171,795 from $934,562 shown in 1931. This increase of $240,233 compares with $208,571 the previous year.

During the past year the company purchased in the market and retired 4,875 class "A" shares, leaving 462,666 shares of class "A" stock outstanding and 383,300 shares of class "B" stock held by 3,300 shareholders. Surplus, as previously shown, is $2,292,194.

LOW WHEAT PRICES BOOST CHINA TRADE

Canada's Share of Record Imports of 50,000,000 Bu. is 14.5 Per Cent

China's imports of wheat have been regulated since the trade began in 1921 by the price level of that commodity in the world market. When wheat prices were low, China imported a considerable quantity but when prices were high these imports fell to a very small amount. Figures for 1931 imports, published in the Commercial Intelligence Journal of the Department of Trade and Commerce, show that with every factor in favor of imports the total for that year reached an amount of over 50,000,000 bushels, or more than four times the previous high mark of 1929.

Failure of China's domestic supply, the low price of wheat in general, continued low freight rates and stoppage in the decline of the value of silver, all combined to open the Chinese market to wheat exporting countries. Another factor which has some effect on the trade is the growing liking for wheat foods among the Chinese.

Australia, further helped in her exports by a discount on Australian pound and concentrating on the eastern market, took by far the largest share of the trade with exports of 33,064,600 bushels, followed by United States with 9,093,700 bushels and Canada with 7,345,700 bushels.

Although Canada's share of China's wheat imports of 1931 was only 14.5 per cent of the total, the actual shipments were the second largest in history, being exceeded only in the record year of 1929.

Drumheller Operators May Reduce Wages 35c

Coal operators in Drumheller valley, Alberta, were refused the right to make substantial wage reductions by a decision announced by the Industrial Disputes Board, on July 2. They had asked the right to reduce wages 80 cents a day.

A. Macleod Sinclair, K.C., chairman of the board, recommended in his report, that the minimum wage rate should be reduced 35 cents per day. The rate at present is $5.75 per day.

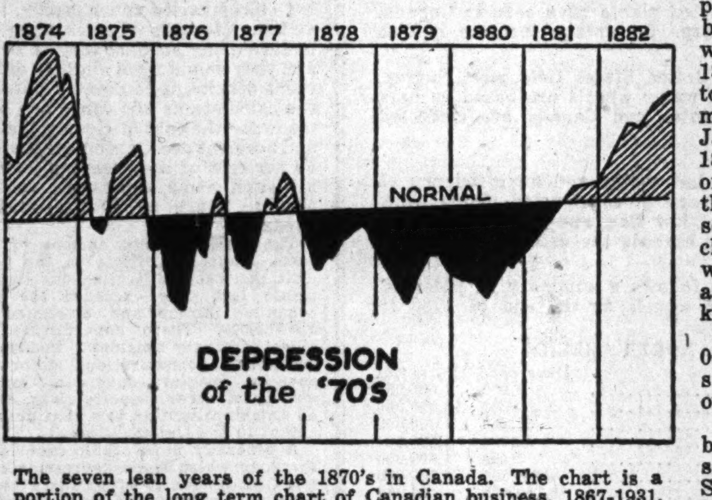
United Mine Workers were represented on the board by Angus J. Morrison who concurred in the report. W. C. Robertson, K.C., operators representative, issued a minority report, declaring substantial wage reductions were justified.

Canada Comes Through--The '70s

THERE were seven lean years in Canada in the seventies of the last century. It was a period of the deepest despair and gloom. Probably only two other periods in Canada's economic history have approached it in difficulty—1857 and 1932. Any nation that came through the near-ruin of the seventies of the nineteenth century will have little difficulty coming through the thirties of the twentieth century.

Conditions were bad the world over in the seventies. In Britain, for instance, the downturn was marked from 1873 to the great panic of 1879; trade recovered slowly from the weakening process. British agriculture has never quite fully recovered. Prices began to decline in 1873. The decline continued until 1896 when commodities showed an average drop of 40 per cent. The world was paying the price of the Civil War and Franco-Prussian War inflation. And it was paying the price of dwindling gold supplies. Just as today, the inelasticity of wages, taxes, rents and debts in the face of price decline brought about wide-spread unemployment, stagnation of trade, many failures, and constantly deepening depression. Business did not really turn upward until 1880 when slow revival set in.

In the United States, the long depression started with a spectacular panic. The crisis in 1873 came as suddenly to Wall Street as the panic of 1929. The tremendous expansion of railways and industries had excited the public — including the ablest financiers — into a sense of continuing security. Then on September 18, 1873, came the bolt from the blue when Jay Cooke, the great railroad financier failed. Other failures swept Wall Street; banks by the score closed their doors; the New York Stock Exchange closed for a week; the Northern Pacific and 71 other railroads announced their bankruptcy.



The seven lean years of the 1870's in Canada. The chart is a portion of the long term chart of Canadian business, 1867-1931, that appears in The Financial Post Year Book of Canadian business.

Recovery was slow. Business difficulties continued for several years. Evidence of the prolongation of the depression is the fact that while there were 5,000 failures in 1873, there were 10,000 in 1878. Rents fell 30 per cent.

The world was rocked by rumors of wars. Britain was at odds with Russia.

In the States, economists and politicians thundered that inflation was the way out. Candidates were nominated on greenback platforms. President Grant saved sound money for the Union by his refusal to be stampeded by the inflationists.

Then came the remarkable summer of 1879 when Europe did not see the sun from May to July but when the United States had a bumper crop. After fifteen years of relentless pressure, commodity prices turned upward temporarily. Soon things were booming again.

In the midst of this world-wide business depression, Canada was an acute sufferer.

Wooden ship-building, the staple industry of the Atlantic Coast collapsed. The lumber and shipping trades were hard hit by the British depression. In 1874, over 800 boats cleared from Quebec with timber for London; in 1879, the number was down to 400. Commercial failures multiplied five-fold. Between January, 1875 and February, 1876, failures with liabilities of $27,000,000 were noted. Of this total, $16,000,000 represented accounts of the merchant community. There was wide-spread unemployment and every city opened a soup kitchen.

Bank shares shrank $25,000,000 in value. Many banks suspended and most of the others reduced their capital.

Manufacturers did little business. Canada became a slaughter market for United States goods. The depression brought the issue of protection to a head. In 1878 Macdonald was put back into office on a protectionist platform and the National Policy was born.

By 1881, the C. P. R. was well underway. Depression was forgotten by a nation too busy in all branches of economic activity to worry about troubles that had passed.

Canada came through the seven lean years of the seventies to accomplish the two greatest events in its economic history—the final adoption of the protective policy and the construction of its first and greatest transcontinental railway.

Next week: The Eighties.

Canada Needs Trade To Pay Its Debts

Extension of Canadian Exports Throughout Empire More Important Than Finding New Canadian Markets for British Goods

By H. A. INNIS,
Professor of Economic Geography at the University of Toronto

The enormous debt of the Canadian Government is a crucial problem. To Canada the outcome of the Imperial Economic Conference will vary in its success directly as the weight of this burden is lessened. The alternatives by which this goal may be reached range from a direct reduction of debt following the hard and honest path of Australia to the multitudinous ways and means of stimulating a revival of trade and industry in order that the burden may be carried more easily. Hitherto the favorite device for reducing the weight of the burden has involved increasing the extent of the burden. By government guarantees, capital imports were stimulated and a coincidence with the upswing of business and an increase in the tariff solved the problem.

Paying Debts by Borrowing

The prospects of the success of this policy which has largely prevailed from the Act of Union to the present depression have become increasingly doubtful. Enormous supplies of capital have been available to tap the virgin natural resources of the western prairies and the water power, forest and minerals of British Columbia and the Pre-Cambrian shield but the amazing inflow of capital in the last decade and in the period before the war cannot be expected to recur in the future. Capital imports, dependent on the application of mature technique to virgin natural resources, will become less significant. In the basic industry of wheat production, for example, signs are in evidence that the cream has been skimmed off. It will be increasingly difficult to depend on the tariff, government subsidies and government ownership as methods of increasing the extent and lessening the weight of the burden.

These problems, accentuated by the present depression and short run factors such as the poor crop of 1931, have special significance for the Imperial Economic Conference and for the British Empire. The problem of government debt is crucial to new countries dependent on the production of raw materials and particularly to countries in the British Empire and must be seriously considered by Great Britain and the dominions.

Why Britain Invested Here

The fundamental nature of the problem to the British Empire may be considered with special relation to Canada. The St. Lawrence may be regarded as the key to British control in North America. Improvement of that route and addition of supplementary railroads extending eventually to the Pacific were made primarily to supply bulk raw materials, especially wheat, to meet the demands of industrial Britain. The enormous investment of capital for construction of canals, elevators, railroads, towns and industrial equipment essential to the production and transportation of wheat was obtained to a large extent in loans from Great Britain. British investments in Canada during the period of expansion in Western Canada from 1900 to 1913 totalled $1,753,118,000. Substantial loans to the Canadian Northern, to the Grand Trunk Pacific and to the Canadian Government for construction of the National Transcontinental, involved government guarantees and in turn bankruptcy and government ownership.

In the post-war period further heavy investments of capital were regarded as essential to place the Canadian National Railways on a satisfactory basis. In order that interest charges might continue to be paid on capital borrowed from Great Britain, capital was borrowed from the United States, Great Britain and the domestic market. In 1931 Great Britain had 887 millions of dollars invested in Canadian railroads and 509 million in government and municipal securities and the United States 801 millions in railroads, and 882 millions in government and municipal securities. Under government ownership in the past decade we have rapidly increased the extent of the railroad debt in an attempt to decrease the burden.

Problem in N. Y. Loans

The seriousness of the problem which has followed with the depression has been accentuated by the character of loans from New York during the intensive speculative boom of the late twenties. Capital borrowed on the New York market under government guarantee has brought problems of exchange as well as heavy fixed charges during the depression. The basic commodity produced for export to Great Britain has fallen sharply in price. It is not to indulge in rhetorical fancy to say that as a result Canada is being stretched on the rack of the dollar and sterling if not crucified on the cross of gold.

In spite of the rigid character of government debts incidental to the importance of government ownership and the violent fluctuations in the prices and production of wheat, it has been possible to bring the budget within reasonable distance of a balance, provided the railroads are excluded from consideration. Whereas, in highly speculative countries such as the United States, the capitalization of periods of prosperity is written down; in Canada, which is strongly influenced by the United States, capitalization in periods of prosperity is because of government ownership carried into periods of depression without reduction, and indeed with additions incidental to heavier deficits.

Guaranteed interest charges paid to British, American and Canadian capitalists on equipment designed to produce and transport wheat have become a crucial consideration in the maintenance of financial solvency. The effects of these rigid costs strike at the heart of Canadian economic life. Neglect in facing this vital problem may lead to consequences of serious import to the Empire.

Limitations of Tariff

Is the tariff a solution of our debt problem? Let us recall the arguments of Sir Alexander Galt in favor of the British investor during the early stages of British capital investment in canals and railroads. In reply to the complaints of Sheffield manufacturers against the raising of Canadian tariffs, he urged that to accept other alternatives "Would have been at the expense of English capitalists and legislation, and it would have been but poor consolation for them to know, that, through their loss, Canada was able to admit British goods at 15 instead of 20 per cent." But the government in its last budget tacitly recognized that the tariff had practically reached its limit as a source of revenue with the decline in importance of virgin natural resources, further increases in the tariff tend to press more heavily on the position of the wheat producer.

Must Avoid Default

Repudiation as a solution of our debt problem may be mentioned only as a method to be avoided. Scaling down of the debt by forced conversion loans along lines carried out in Australia, would involve heavy direct sacrifices on Canadians to maintain fixed payments to the United States and Great Britain. Capital reorganization of the railroads has involved difficulties with Grand Trunk Pacific security holders and the Vermont Central, and it is doubtful whether this device could be used extensively, particularly since it will be difficult to abandon the policy of encouraging capital imports as a solution to problems of the depression. An appeal for leniency to British investors or to American investors will find little support.

If we must fail to enlist the mercy of British capitalists, it has been urged that Great Britain should provide a sheltered market for wheat and thus enable us to carry the burden of fixed charges. A wheat quota as a possible device has not been regarded with favor either by Canada or Great Britain. It is common knowledge that the Dominions reported unofficially against it at the conference in 1930, but it was reported as an official possibility to test the sincerity of the British Government. The Continental market will become increasingly important in the disposal of Canadian high protein wheat and Canada should be in a position to take every advantage against world competitors of available markets. It might impose too heavy a burden on Great Britain as an industrially deficient nation, particularly if it imposes penalties on supplies of wheat from the outer empire, for example Argentine. Moreover, the interests of the consumer are strongly protected by such organizations as the Co-operative Wholesale Society. Strong vested interests in Great Britain which represented the sugar plantations of the West Indies and the timber trade of British North America are not in evidence in the later days of wheat. Vested interests have grown up in relation to world trade rather than Empire trade.

The possibilities of reducing the burden of mixed charges by appealing to investors appear to be slight. It may be urged that the Railway Commission at present concerned with the problem will report a satisfactory solution, but its recommendations will probably involve consideration of methods of carrying existing debt more easily rather than reductions of debt. Reorganization of Canadian National capitalization will have little effect on the burden of debt to the Canadian Government.

Looking to Empire

We are forced to consider as final alternatives, the possibility of Imperial preferences and Imperial currency as devices by which the burden of fixed charges may be carried more easily if not reduced. The tying up of the dollar to sterling or to the American dollar would involve considerations which include the policy of Great Britain in stabilizing sterling, the effects of the reflation policy in the United States, the possibility of managing Canadian currency with inadequate machinery, manipulation of the tariff, and as a result of these factors the uncertain costs of stabilization.

Imperial preferences have been conceded a position of first importance in most discussions of the possibilities of the Imperial Conference. Following the classical analysis, steps toward freer trade will increase the capacity of all countries concerned to bear the burden of the debts. Increased competition from Great Britain in disturbing the present rigidity of prices and in forcing the prices of manufactured products into line with agricultural prices might contribute materially to increase in industry and trade and in turn to lower costs of production of staple products. On the other hand this serious problem of rigidity involves numerous inter-related factors, including railway rates which are, as has been shown, closely linked to the heavy fixed charges incidental to Canadian National debt, combines, currency and employment. The intricacies of the problem suggest that increased trade with Great Britain is probably less crucial than has been generally supposed. It is an internal problem which demands an energetic and immediate attack. The effects of concessions involving inroads on the position of industries already seriously weakened by the depression, and particularly marginal industries with little strength to resist aggression, must be carefully considered.

Must Export More

The final alternative is the widening of markets for Canadian goods. An increase in markets in Great Britain and the Empire for Canadian goods is more significant to Canada than an increase in markets for British goods in Canada is to Great Britain and the Empire. It involves a continuation of the policy of raising the tariff wall against the United States and opening both ends on the Atlantic and the Pacific to trade with foreign countries. A continued migration of capital in the form of branch plants from the United States and further exploitation of natural resources in terms of water power and mineral resources and especially the former, for example in the St. Lawrence waterways, may enable us to continue the policy of increasing the debt to lessen the burden. We may continue to meet the heavy fixed charges of our railway debt. Having exhausted our more available resources, we may continue to thrive by sharing in the exhaustion of the resources of less industrialized parts of the Empire. Our mild Imperialistic policy will look for new territory. British Imperialism must face Canadian Imperialism at the Imperial Economic Conference at Ottawa in 1932. It is not for an economist to predict the outcome.

Bradburn Joins Directors McColl-Frontenac Oil

From Our Own Correspondent

MONTREAL. — H. H. Bradburn, vice-president, Western Division, McColl-Frontenac Oil Co., has been elected to the board of directors. Mr. Bradburn has been with the company and its predecessors for the past 33 years.

On organization of the present company he was appointed vice-president in charge of the western marketing division with headquarters in Winnipeg.

Fodder for Fur Farms

Mullets taken in New Brunswick streams are now used chiefly for feeding mink and foxes in fur farming ranches, it is noted in the Fisheries News Bulletin. The quantity caught is not large amounting in 1931, for example, to 120 hundredweights only.

INSURANCE PLANS ARE INADEQUATE FOR SOCIAL ILLS

Toronto Actuary Presents Much Data in New Volume

That health, sickness and unemployment insurance schemes are very largely incomplete or inadequate medicine for the ills they are designed to cure is one of the conclusions drawn by H. H. Wolfenden, Toronto, actuary in his newly-published book "The Real Meaning of Social Insurance."

Mr. Wolfenden originally prepared the material at the request of the Canadian Life Officers' Association and presented the results of his study substantially in its present form before the annual meeting of that association in October, 1931. The present volume brings up-to-date that material and offers it in permanent form which should be of material assistance to all students of social insurance problems, particularly in Canada. According to the foreword by G. C. Moore, president of the C. L. I. O. A. this association assumes no responsibility for the authors' views.

Is Factual Study

Briefly, to use Mr. Wolfenden's own words, the book is intended to record simply the basic and essential facts which constitute the fabric of government social insurance plans as they are known today with a dispassionate analysis of the motives and arguments which constitute their defence and their weaknesses.

His conclusions are summarized as follows:

"The study of social insurance serves to draw particular attention to the following features which, it may be suggested, are of especial importance at the present time:

"1. Undoubtedly a very large part of every agitation in favor of state health insurance is due to the sudden and unexpected incidence of serious illness, for which the patient's expenditures may reach proportions for which he is little prepared. A less uneven distribution of the cost of sickness over the lifetime of every individual is one of the chief aims of those who advocate compulsory health insurance; but the problem is one primarily for the medical profession, and the introduction of national health insurance leaves the basic problem quite untouched.

"2. The suggestion that sickness and unemployment insurance schemes provide suitable remedies for illness and unemployment approaches the problem with the object of relieving their effects instead of preventing their occurrence, and thus attacks the question after instead of before the troubles have arisen.

"3. It does not appear reasonable to hope that any national scheme can be operated without extensive malingering and lessening of morale if, as is generally proposed, the prospective beneficiaries contribute only a minor portion, such as two-fifths, of the proper cost of their benefits.

"4. The claim that national insurance schemes can be operated at a cost lower than that of existing organizations is refuted at once by the realization that under national schemes a large proportion of the actual cost is either concealed or is passed on to the collecting agencies, such as the employers, who are forced to do their work without remuneration.

"5. The assumption by prospective beneficiaries that the state is entirely responsible for the ultimate financial sufficiency of any scheme of state insurance, and that its resources are unlimited, inevitably produces an unethical attitude on the part of such beneficiaries—to a far greater extent than would ever happen, under existing rules of human conduct, if those beneficiaries were dependent solely upon their own contributions and their own funds.

"6. Conditions on this continent are so very different from those in Great Britain and European countries that it is probable that the administration of national insurance schemes here would be very much more difficult, and would be subject to more dangerous influences, than elsewhere.

"7. Instead of any plan of national health insurance, it seems that an equal expenditure of effort and money upon the development of preventative and curative measures would be greatly preferable, would be more economical and ethically would be much sounder.

"8. Similarly, the introduction of national compulsory unemployment insurance might well introduce evils far worse than those for which a cure is sought; and, especially when serious unemployment is so definitely traceable to international causes over which no one country has control, it appears unsound to attempt to alleviate such unemployment by any merely national scheme which, moreover, cannot hope to deal in the slightest degree with even one of the causes of that unemployment.

"9. Finally, for the reasons just stated, it will be far preferable to direct thought on the problem of unemployment relief toward the various schemes which have been put forward by industrial leaders and other vitally interested parties."

The book is obtainable from The MacMillans in Canada, $2.00.

Says Insurance Inadequate

The inadequacy of unemployment insurance without a supporting system of relief to meet emergencies such as the present, is one of the most important lessons which Great Britain has learned in her long experience in this field, according to Professor Ronald C. Davison, British unemployment expert, in the course of an address delivered during his visit to Canada recently.

He also urged Canada to take heed from British experience and to avoid dependence in depression, on relief work created simply for the purpose of making jobs for people. He declared that in Britain one hundred years of experience in attempting to deal with any large volume of unemployment by means of inessential relief works, has failed and has proved an expensive delusion. "To waste national resources on inessential amenities and to pick workers for jobs because they are destitute rather than because they are suitable, is the wrong basis for any wage-earning employment," he said.

Traces British System

Prof. Davison traced the development of the British system of unemployment insurance, which he pointed out was one of the pioneers in a problem now world-wide and likely to become anything but a passing phenomenon. "All we can say is that the method we have chosen is one method of many and that by it we have kept the worst ravages of poverty at bay in the face of a collapse of the wages system of unparalled intensity and duration. Our unemployed now total approximately 2,500,000, or 21 per cent of total registered workers."

Contributory unemployment insurance, he pointed out, was not insurance in the ordinary commercial sense of the word, because it was not supported by actuarial data. It was, however, very real insurance from the worker's point of view. The four main principles under which Britain had tackled the problem had been (1) that unemployment was an industrial problem that could only be handled nationally. (2) that all three parties, the state, the worker and the employer should contribute. (3) that there should be a general pooling of all industries and risks and therefore no "contracting out" by favorably-situated industries. (4) That the "benefit" was a right of the worker during genuine unemployment and should be paid at fixed rates, for a limited period and only to contributors.

How System Works

The method used to develop these principles had been to build up a system of employment exchanges—400 in number with 1,000 branch offices. Then the insured trades were defined as being all except agricultural workers, domestic servants and non-manual workers receiving over $25 a week. Thus, 12,000,000 workers between the ages of 16 and 65 were compelled to register by taking out an insurance card which was presented to their employer and stamped every week with a 40 cent stamp representing the contribution of the worker and the employer. The employee's share (20 cents) being deducted from his pay envelope. The state subsequently added 20 cents for each 40 cent stamp. Upon being discharged, the worker presented his card at the exchange and made a claim for unemployment insurance and after six waiting days received benefits at the rate of $3.78 per man with allowance of $2 for a wife and 50 cents for each child. If the worker voluntarily left his job, if he misbehaved or if he subsequently refused employment, he was disqualified from further benefit. "All good rules," said Prof. Davison, "but not proof against abuse."

More important, however, than these qualifications were the arbitrary limits to the benefit which limited benefits on a ratio of 1 in 6 with an overall limit of 15 weeks a year as the longest period for which insurance could be received.

"For such a limited scheme, said Prof. Davison, "the dole is a misnomer, but in Great Britain through necessity we relaxed the limits on the benefit from 1921 to 1931 and due to an overmastering emergency we did almost anything to keep the insured workers in the benefit. The unpopular alternative was the local Poor Relief Law and (wisely or not) we were unwilling to abandon the ideal of a national scheme for all unemployment. So it was that our unemployment insurance almost degenerated into a colossal relief scheme—a dole—but not quite, because millions of claimants in the ten-year period were disqualified for benefits under the rules and over half of these had moral or legal justification to benefits through their contributions to the earlier scheme."

Now Two Systems

"Since November, 1931, however, the National Government has had the courage to transform the system and restore the original safeguards so that now we have two systems, not one, for relieving unemployment. One of these is an unemployment benefit with the contributory qualification reimposed and the other is a definite system for direct relief on basis of need. The qualification under the employment system is that the worker must have made 30 contributions in two years to qualify and in addition there is an overall limit of 26 weeks' benefit as the maximum that can be paid to a worker in any one year.

"This embraces approximately 1,100,000 of our present unemployed and of the remainder there are probably 900,000 claimants who register at the National Employment Exchanges and can still draw their relief from these exchanges. Every case, however, must first be brought before a local board to ensure the applicant is still seeking work in an insured trade. His need is determined on the basis of his obligations and family income. If there is sufficient family income he receives no pay—and we were surprised and delighted to find that this class embraces one-fifth of the total number. If there is no income he receives full rates but not more than the benefit. These payments for home relief come direct from the national taxes and not from the insurance fund. This is only a rough approximation to a permanent satisfactory scheme but further amendments will be made next year and in the meantime we are saving $150,000,000 annually.

"One other side of the story is the fact that in general, mere physical maintenance is not enough. The grim fact of idleness inevitably leads to mental and physical and mental demoralization. There must be something for the soul as well as for the body, and it is this need that leads to the demand for relief works to keep the workers actively engaged. In Great Britain, however, the effort to deal with any large number of the unemployed by public works has failed. Such wholesale methods have proved an expensive delusion. If they are essential works that is different, but to waste the national resources on unessential amenities and to choose a worker because he is destitute rather than because he is suitable for the job, is a wrong basis for any wage-earning employment.

"Are we then to admit defeat, and only pay out doles? Are we to sit by while enforced idleness works havoc among thousands of useful citizens? I think not. There is an alternative, namely maintenance under training embodying voluntary occupation and education particularly for those under 40, the objective being to create skill and working capacity while a man has it, or to create it in those who have never had an opportunity. This means careful differential treatment but offers a great opportunity for voluntary agencies as evidenced by the work being done in this direction by such organizations as the University Settlements and the Society of Friends.

Lessons Learned in U. K.

"The lessons we have learned therefore are:

(1) The need of a basis system of relief on the basis of proved need and with as uniform benefits as possible.

(2) To apply unemployment insurance where possible to the industrial field without expecting too much of a contributory scheme.

(3) To study possible ways of turning enforced leisure to good account by voluntary agencies.

(4) Not to rely on "made" work for wages.

"In Canada your unemployment problem differs in a measure from ours and your approach will certainly be different. We have noted from over the water, the awakening of energetic interest in your nation. At the moment the native hue of Canadian resolution is sicklied o'er with the pale cast of thought. But it is hard practical thinking which will, as it always does, result in action."

More Anthracite Comes from U.K.

Imports of British anthracite in May exceed those of United States anthracite for the first time in history, imports from Great Britain amounting to 170,967 tons and from the United States 150,802 tons. This is the culmination of a gain in British and a loss in United States imports which has been going on for a number of years. Imports in May of previous years follow:

May	G.B. tons	U. S. tons
1932	170,967	150,802
1931	142,911	209,894
1930	113,189	191,048
1929	71,309	222,955
1928	60,703	250,105

During the season of navigation on the St. Lawrence, it is expected that the present trend of anthracite imports will be maintained, according to the Dominion Bureau of Statistics.

SPECIAL REPORT ON ALFRED FIRE BY UNDERWRITERS

Smaller Piles in Future Says C.F.U.A. in Recommendations

Need for segregation of pulpwood storage into a number of small piles of moderate height and with ample clearance between piles is the lesson to be learned from the disastrous $2,000,000 fire at Port Alfred according to a special report issued by the sprinklered risk department of the Canadian Fire Underwriters' Association.

The Port Alfred fire was the largest pulpwood fire which has ever occurred and lasted for 12 days. In this single pile of wood there were 221,301 cords of spruce logs, cut into four foot lengths and cleaned of bark. The plant at Port Alfred of the Canada Power & Paper Corporation was not in use on April 29 when the fire started but was being prepared for resumption of operations on May 2. The fire was extinguished on May 11. During the fire more than 1,000 men helped to put out the flames.

45,000,000 Gallons Daily

After the fire had been going five days a daily average of 45,000,000 gallons of water poured on the fire was reached and this was maintained for six days. The total insurance on the mill and pulpwood pile combined was $9,500,000 and the insurance loss is estimated about 27 per cent of this total. Approximately 35,000 cords of the pulpwood were saved.

Specific recommendations were made in the report as to wetting down wood piles; conveyor systems; fire and partition walls; hose adapters and watchman service. The conclusions reached are as follows:

"While pulpwood piles up to 100,000 cords and over are not unusual with Canadian mills, the pile at Port Alfred was of abnormal size, but with permanent protection above that for the average mill. This protection was barely sufficient to retard the fire and could not control it. When abnormal emergency water supplies were made available at great expense, and primarily to save the mill, the fire in the pulpwood was extinguished. Such emergency water supplies cannot be expected for the average mill, and any attempted comparison for fire-fighting between the large pile at Port Alfred and the ordinary pile of pulpwood is therefore futile.

"The real lesson from the Port Alfred fire is the need for segregation of pulpwood storage into a number of small piles of moderate height and with ample clearance between the piles, and each pile surrounded by monitor nozzles and hydrants on large mains with an ample water supply of heavy pressure. As auxiliary, and to provide flexibility with large streams, there should be deluge sets and a number of 6-inch valved connections left in the underground to permit ready connection of large lines.

"There should not be the concentration of large values in one pile as now prevails at a number of mills. This is not a new proposition as it has been taken up with the mill men a number of times, but the need for the well protected small pile has been amply proven in recent fires."

White Star Plans Montreal - N. Y. Cruises

Crossing the vacation cruise with the business trip in a fashion that retains the better features of each, little ocean voyages are among the important holiday developments of 1932.

White Star Line recently announced that S. S Laurentic would make a trio of cruises from Montreal to New York and return. The response was excellent. The 27,575-ton transatlantic liner, largest, fastest and newest in this company's Canadian service, makes her first sailing from Montreal on July 19, stopping at Quebec for sightseeing and allowing three days in New York. The route skirts the picturesque Gaspe coast, then out through the Gulf of St. Lawrence between Newfoundland and Cape Breton, into the blue Atlantic, along the Nova Scotian coast and down to New York harbor.

There is opportunity for business appointments at Montreal, Quebec and New York. Detailed sightseeing arrangements have been made in connection with the cruises at these three ports of call. In port, the steamer plays the role of hotel. The holiday aboard ship includes all the sports and entertainment of an ocean crossing as well as floor shows to add an extra note of enjoyment to the evening dances.

NOTICE

PRODUCER AVAILABLE

with valuable Western experience—selling, credits, banking, real estate—also Eastern training. If you want a man of initiative write Box 322, The Financial Post, Toronto.

DIVIDEND NOTICES

The Teck-Hughes Gold Mines LIMITED

(No personal liability)

KIRKLAND LAKE, ONT., CANADA

The Directors of this Company have declared a dividend of 15c per share, payable on August 1st, 1932, to shareholders of record at the close of business July 15th, 1932.

KINTZING P. EMMONS,
Treasurer.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1932.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 21st day of July, 1932.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 5th day of August, 1932.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal,
June 27, 1932.

MONTREAL TRAMWAYS COMPANY

DIVIDEND NOTICE

Notice is hereby given that a dividend of TWO DOLLARS AND FIFTY CENTS ($2.50) per share, for the quarter ending June 30th, 1932, has been declared upon the paid in Capital Stock of the Company, to Shareholders of record on Thursday, the 7th day of July, 1932, at 4 o'clock p.m. and payable on Friday, the 15th day of July, 1932.

By order of the Board.

PATRICK DUBEE,
Secretary-Treasurer.

Thursday, June 30th, 1932.

Imperial Bank of Canada

DIVIDEND NO. 168.

Notice is hereby given that a Dividend of three per cent. (3%), being at the rate of twelve per cent. (12%) per annum, upon the paid-up Capital Stock of this Bank, has been declared for the quarter ending July 30th, 1932, payable at the Head Office and Branches on and after Monday, the First day of August next, to shareholders of record of June 30th, 1932.

By order of the Board.

A. E. PHIPPS,
General Manager.

Toronto, June 29th, 1932.

Brazilian Traction, Light and Power Co. Limited

(Incorporated under the Laws of the Dominion of Canada)

Notice of Stock Dividend Payable 1st September, 1932

As the restricted exchange situation in Brazil still continues, the Board considers it advisable again to declare a stock dividend instead of a cash dividend. Accordingly notice is hereby given that the Board of Directors has declared a stock dividend on the Company's Ordinary Shares of no par value at the rate of one fully paid ordinary share for each fifty fully paid shares held by shareholders of record on the register at the close of business on 30th July, 1932. The shares comprising such stock dividend will rank for dividend as from 1st September, 1932, but no dividend will be paid in respect of a fractional part of a share. When such fractions are converted into whole shares the latter will then rank for all dividends payable after the date of such conversion. Definitive certificates and/or fractional certificates representing the stock dividend will be forwarded to shareholders on or about 1st September, 1932.

Holders of fractions can either sell the same or purchase sufficient additional fractions to make up a whole share, and should arrange for such adjustments through their bankers or brokers as soon as possible after receipt of the fractional certificates. Where necessary fractional certificates may be split into smaller denominations, and to facilitate distribution whole shares may be split into fractions, but no splits of whole shares will be allowed after 31st October, 1932. Applications for splits must be made to the Company's transfer agent, National Trust Company, Limited, Toronto or Montreal, but for the convenience of European shareholders applications may be sent through the London agents of the Company under conditions/particulars of which may be obtained from the agents. Fractions resulting from the above stock dividend may be combined with outstanding fractions of previous stock dividends, except those in respect of the stock dividend of 1st March, 1930, unless the right to accrued dividends applicable to the latter fractions when converted into whole shares is waived. Forms of waiver for the purpose, as previously announced, can be obtained from the Company's transfer agent, National Trust Company, Limited.

By Order of the Board.

A. W. ADAMS,
Secretary.

Dated at Toronto, Canada, this 5th day of July, 1932.

The Company's London Agents are Canadian and General Finance Company, Limited, 3 London Wall Buildings, London, E.C. 2, England

Fur Sales Bulk Large

Furs to the value of $600,000, or 66 per cent of the total offerings, were sold at the recent three-days' auction in Montreal, conducted by the Canadian Fur Auction Sales Company Limited. Muskrat, beaver and mink were featured at these sales with other pelts sold in lesser quantities.

HEAVY INCREASE IN POLICY LOANS NOT MAJOR WORRY

Analysis Shows How Life Firms Meet Demands Without Liquidation

That the heavy demand on life insurance companies for policy loans in recent years has not involved the sacrifice of securities or mortgages at reduced prices and consequently does not present a serious investment problem for companies in general, is one of the conclusions reached by Robert Riegel, of the University of Buffalo, in an analysis of Changes in Life Insurance Company Investments 1860-1931 inclusive, in the New York Annalist.

Mr. Riegel found that in 1929 all companies were compelled to provide $148,000,000 additional for policy loans in the last ten weeks of the year, which was about ten per cent more than the cash balance carried by these companies.

Big Reserve Available

What happened, of course, was that companies met this demand out of funds ordinarily currently invested and since at least $1 a year is invested for each $16 of assets, United States companies had a fund available in this way in the ten weeks' period of $380,000,000, to meet policy loans of $200,000,000.

It is interesting that although policy loans have been increasing in proportion to total assets since 1926, they form a considerably smaller percentage of total assets than was the case in 1860. In that year, policy loans were 20.5 per cent of total assets while at the end of 1931, they were only 15.9 per cent. Attention is drawn to the very different distribution of Canadian life company assets which show that only 23 per cent of total assets were invested in mortgages as at the end of 1930 (latest available figures) while stocks formed 25 per cent and bonds 29.8 per cent.

Mr. Riegel's conclusions are summarized as follows:

"In conclusion, it would appear that although securities were more important investments than mortgages prior to 1925, the latter then went ahead of the securities in importance, but have been losing ground in the last two years. The depression has revealed little tendency on the part of life insurance companies appreciably to increase their relative cash assets. Mortgage loans appear to have been more affected by fundamental difficulties in the agricultural situation than by the recent industrial depression show an increase in relative importance, but not a startling one. There is nothing to show that the increase in such loans in 1929 created any great problem for the average life insurance company.

"During the depression, investments in United States bonds continued to decline in importance as is also true of railroad bonds, but the explanation of this seems to be the opportunity of obtaining higher returns elsewhere, notably in public utilities and industrials. The percentage growth in stock investments has been considerable in the past three years, but much of this is due to investments in preferred and guaranteed stocks, and the tendency toward common stock investments is stronger among the smaller companies than among the larger."

POOR LIFE RISKS IN THREE CATEGORIES

If you are a "sub-standard" risk in the eyes of a life insurance company, have you ever stopped to think why your policy has been given a "lien" of say $1,500 or why you are being charged an extra premium, or why your age has been "rated up" to bring the cost of your particular policy more into line with your own personal shortcomings in the world of actuarial averages?

These three methods mentioned are the three most commonly used by insurance companies to enable them to insure risks which do not qualify under the ordinary standards of mortality, and the considerations which determine what method shall be used are set forth in the current monthly news letter of the Manufacturers Life Insurance Co. They are:

"Selection of the method of providing for the extra mortality in a sub-standard case depends upon the nature of the unfavorable feature or impairment, the presence of which has caused the case to be adjudged sub-standard.

"Statistics indicate that certain impairments result in an extra hazard which increases with the age of the insured, while with other impairments the extra hazard has a tendency to decrease.

"The decision in an individual case may be based on several factors but the general application of different methods is as follows:

"(1) Rating in Age—Used for cases where the extra hazard increases with age, such as is the case with overweights.

"(2) Net Extra Premium—Imposed where the extra hazard is more or less constant, as when the insured engages in a hazardous occupation.

"(3) Lien—May be used where the extra mortality hazard reduces rapidly as, for example, a family history of tuberculosis or a personal history of pleurisy.

"Temporary 'net extra' premiums are now being used more generally than 'liens' because the latter method results in reduced protection during early years."

DIVIDEND NOTICES

The Steel Company of Canada, Limited

Preference Dividend No. 84

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) on the new Preference Shares of the Company has been declared for the quarter ending June 30th, 1932, payable August 1st, 1932, to shareholders of record at the close of business July 7th, 1932.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Ont.
June 29th, 1932.

The Steel Company of Canada, Limited

ORDINARY DIVIDEND NO. 62

Notice is hereby given that a dividend of forty-three and three-quarters (43¾c) on the new Ordinary Shares of the Company has been declared for the quarter ending June 30th, 1932, payable August 1st, 1932, to shareholders of record at the close of business July 7th, 1932.

By Order of the Board,

H. S. ALEXANDER,
Secretary.

Hamilton, Ont.
June 29th, 1932.

Canada Stands Second In Installed Water Power

Canada had more water power developed at the end of 1930 than all Asia, and was second only to the United States as the largest power-producing nation in the world, according to data compiled by the United States Geological Survey.

Though further developments took place in the Canadian water power industry in 1931, increasing the installed capacity by over 500,000 h.p., Canada's relative position in the world power industry remains unchanged.

Capacity of the water wheels in the constructed plants of the world, according to the Survey, was 23,000,000 h.p. in 1920, 29,000,000 h.p. at the end of 1923, 33,000,000 h.p. at the end of 1926, and 46,000,000 h.p. at the end of 1930, an increase of 100 per cent in ten years.

Canada in Lead

The increase during the last four years in Europe has slightly exceeded that in North America. Outside of the United States, the greatest increases in constructed plants have been in Canada, Italy, Japan, Germany, Switzerland, Austria and Sweden. A large percentage increase in also shown by New Zealand, Mexico, Brazil and India.

These estimates are based on information available in the United States Geological Survey, and from many countries the estimates of capacity of installed water wheels are based on data collected a year or more ago. The estimates for the United States and Canada are corrected to date.

Basis of Estimates

Estimates of potential water power are based on ordinary low water and an efficiency of seventy per cent in the plant. The installed capacity of machinery at constructed plants averages two to three times the potential power under conditions of low flow and this accounts for the fact that in some countries the installed capacity equals or exceeds the estimated potential power.

For convenience of study and for purposes of records, there follows a summary of potential water power at ordinary minimum flow and capacity of water wheels at the end of 1930 in horsepower.

EUROPE

	Developed	Potential
Albania	1,000	500,000
Austria	700,000	1,660,000
Belgium	700	small
British Isles	400,000	850,000
Bulgaria	50,000	1,200,000
Czechoslovakia	155,000	1,000,000
Denmark	11,000	20,000
Estonia	18,800	125,000
Finland	250,000	1,800,000
France	2,300,000	5,400,000
Germany	2,000,000	2,000,000
Greece	8,000	250,000
Hungary	3,000	175,000
Iceland	4,000	500,000
Italy	4,840,000	3,800,000
Latvia and Lithuania	5,000	100,000
Netherlands	725	17,000
Norway	1,900,000	9,500,000
Poland	90,000	1,400,000
Portugal	48,000	300,000
Rumania	109,000	1,600,000
Spain	1,000,000	4,000,000
Sweden	1,675,000	5,000,000
Switzerland	2,300,000	2,500,000
Turkey	......	small
Union of Soviet Republics	355,000	8,425,000
Yugoslavia	212,000	3,000,000
Approximate total	18,400,000	56,000,000

AFRICA

	Developed	Potential
Abyssinia	......	4,000,000
Algeria	130	200,000
Angola	4,000	4,000,000
Bechuanaland	......	20,000
Belgian Congo and Belgian mandate	15,250	90,000,000
British Central Africa	......	1,200,000
British East Africa	3,200	4,700,000
British Somali	......	small
Egypt	......	600,000
Eritrea	......	small
French mandate in Cameroon	......	13,000,000
French Congo	......	35,000,000
French Guinea	......	2,000,000
French Sudan	......	1,000,000
Gambia	......	small
Gold Coast and British mandate in Togo	......	1,450,000
Italian Somali	......	small
Ivory Coast, Dahomey, and French mandate in Togo	......	2,850,000
Liberia	......	4,000,000
Madagascar	100	5,000,000
Morocco	......	250,000
Nigeria and British mandate in Cameroon	......	9,000,000
Portuguese East Africa	......	3,700,000
Portuguese Guinea	......	small
Rhodesia	2,500	2,500,000
Rio de Oro	......	small
Senegal	......	250,000
Sierra Leone	......	1,700,000
Southwest Africa (Union of South Africa mandate)	......	150,000
Tanganyika (British mandate)	800	2,700,000
Tangier	......	50,000
Tripoli	......	small
Tunisia	......	30,000
Union of South Africa	7,000	1,600,000
Approximate total	33,000	190,000,000

NORTH AMERICA

	Developed	Potential
Alaska	36,100	1,000,000
Canada	6,125,000	18,000,000
Costa Rica	31,400	1,000,000
Guatemala	23,000	1,500,000
Honduras	2,400	1,000,000
Mexico	494,000	6,000,000
Newfoundland	160,000	400,000
Nicaragua	400	800,000
Panama (including Canal Zone)	20,500	500,000
Salvador	15,100	200,000
United States	14,885,000	38,000,000
West Indies	32,500	150,000
Approximate total	21,800,000	69,000,000

SOUTH AMERICA

	Developed	Potential
Argentina	35,000	5,000,000
Bolivia	13,500	2,500,000
Brazil	640,000	15,100,000
British Guiana	......	2,500,000
Chile	114,000	2,500,000
Colombia	25,000	4,000,000
Dutch Guiana	......	800,000
Ecuador	6,400	1,000,000
French Guiana	......	500,000
Paraguay	200	2,000,000
Peru	55,000	4,500,000
Uruguay	......	300,000
Venezuela	13,000	3,000,000
Approximate total	900,000	44,000,000

ASIA

	Developed	Potential
Afghanistan	2,000	500,000
Arabia	16,000	......
Asia Minor	500	500,000
Chinese Republic	1,650	20,000,000
Chosen	90,000	500,000
French Indo-China	......	4,000,000
India	300,000	27,000,000
Japan	3,500,000	6,000,000
Persia	......	200,000
Siam and Malay States	25,000	4,000,000
Union of Soviet Republics in Asia	91,000	8,000,000
Approximate total	4,000,000	71,000,000

OCEANICA

	Developed	Potential
Australia	2,000	600,000
Borneo, including New Guinea and Papua	......	7,500,000
Celebes	500	1,000,000
Hawaii	32,200	100,000
Java	60,000	800,000
New Zealand	157,000	2,500,000
Philippine Islands	21,500	1,500,000
Sumatra	20,000	2,000,000
Tasmania	75,000	700,000
Approximate total	370,000	17,000,000

RECAPITULATION

	Developed	Potential
Africa	33,000	190,000,000
Asia	4,000,000	71,000,000
Europe	18,400,000	56,000,000
North America	21,800,000	69,000,000
Oceanica	370,000	17,000,000
South America	900,000	44,000,000
Approximate total	46,000,000	447,000,000

History of Fisheries Dates Back Over 440-Year Period

Diversity of Newfoundlands Markets Augurs Well for Recovery

By W. A. MUNN

The Newfoundland fisheries are the very birthplace of history in North America. They have been undergoing a constant state of development for over four hundred and forty years.

The first to arrive here were the Basque Fishermen from Spain, and the Jerseymen from the Channel Islands. This was prior to the arrival of John Cabot in 1497. Then came fleets of Englishmen, Spaniards, Portuguese and Frenchmen. They have been coming here ever since, but the fisheries are just as productive today as they were when known only to the Beothic Indians.

Many of these adventurers came here in small sailing vessels looking for a supply of fish to feed their own people, but the export trade of fish by sack-ships, as the Englishmen called their foreign traders at that time, has been going on annually to Malaga and Valencia, in Spain, also to Genoa, Leghorn and Naples in Italy for over four hundred years.

Sir Richard Whitbourne, who is called the father of the Newfoundland literature tells us in his book published 1620 that Portuguese vessels came here and purchased hard dried fish from the English fishermen, which they paid for, and then carried it direct to their compatriots in Brazil. When we recognize that it was in 1620 that the Puritan Fathers arrived on the "Mayflower" in America, we can have some idea of how well established this business is and how delighted these foreigners are when the first arrivals of new fish reach their markets every year; just as we watch for the early apples from Canada.

Very few have any idea of the immense quantities of fish that are consumed in all the islands in the West Indies. The Newfoundland merchants have agents who send back orders for shipments of fish every week to every town of importance in almost all the islands. In years past Newfoundland merchants owned fleets of sailing vessels trading direct to all these foreign ports, and the captain of each vessel was selected by the merchant as his agent, to see that every satisfaction was given to his customer, and to find out new and better ways to suit the buyer.

There have been ups and downs, and many a story is on record, where these fish vessels were captured by pirates, who knew the markets and looked upon a cargo of codfish as being as valuable as bullion, as they could sell it for gold ducats or Mexican silver dollars, which the sailors carried on board in wheel barrows.

The steamship has taken the place of sailing vessels with cheaper freight and a more certain delivery, and the fish is now shipped in casks, drums and boxes. Instead of large shipments going forward in bulk to be packed in bundles on arrival, it now goes forward addressed for distribution to individual storekeepers.

With such a diversified trade to every place of importance in the Mediterranean, it can be readily seen that if Portugal is having trouble, Spain is sure to be hungry. If Italy passes some absurd law that makes her markets unremunerative, we soon learn that Greece has just harvested a good crop of currants, the proceeds of which is eagerly invested in genuine Labrador codfish.

Some Markets Profitable

Thus even in such a time of depression as we have passed through during the past winter, we have found advancing prices in Spain, that have cheered up our shippers in a remarkable way.

Notwithstanding the hard times in Brazil and moratoria passed postponing payment of debts indefinitely, we find that the Brazilian merchants can establish bank credits for all the fish they want, which shows in no uncertain way, that the demand of the inner man of Brazil cannot be denied.

Here is another true story that can be easily verified. We all know that the demand must start from somewhere, and which one of us ever expected that the island of Porto Rico would consume so much fish this past winter, that it had such an important influence in establishing better prices in all directions. When an island the size of Porto Rico can do this, it should be plain to every one that the demand for salt codfish will continue for many a day when we are attending to other duties elsewhere.

These remarks give some idea perhaps of how quickly the fishery trade in Newfoundland will revive. There are no more practicable people anywhere, and there is no doubt we will stage a comeback that will astonish everyone.

EXPLAINS SPREAD IN STERLING RATES

Special Duty Collectible on Difference Between Fixed and Average Values

The difference between the fixed value of the pound sterling declared for three months' periods and the average value declared for fifteen day periods, which has puzzled many importers, was recently explained to The Financial Post by the Department of National Revenue.

When the pound sterling first became depreciated, instructions were given to compute the value for regular and special duty on the basis of $4.86 2/3. Within a few weeks, however, it was represented to the government that there had been an advance in commodity prices in Great Britain and that it was unfair to collect special duty on this basis. Enquiry by the Government led to the conclusion that the advance in commodity in Great Britain was about 10 per cent and therefore a fixed value of $4.40 was decided upon for a period of three months. As there have been no apparent changes in commodity values in Great Britain since that time this rate has been renewed for three months' periods to the present time.

When the pound goes below this value of $4.40 in the world money market, special duty is collected on the difference between this fixed value of $4.40 and the current average rate which is published every fifteen days by the Department of National Revenue.

It was pointed out to The Financial Post that the value of $4.40 of the pound sterling for special duty purposes does not apply to goods imported from Great Britain not entitled to entry under the British Preferen-

Germany Removes Surtax on Imports from Canada

Removal of the surtax, which was imposed by Germany on more than a score of Canadian goods on April 1, became effective on July 1 and it is understood that during the next six months the most-favored-nation treaty will be negotiated with that country.

At the present time the German goods enter Canada under the general tariff, that is they pay the full impost. It is stated that what Canada will offer Germany is the admission to this country goods at the intermediate rates.

FINAL RESULTS BRITISH OFFICES SHOWN FOR 1931

Analysis Shows Position of Companies Doing 85% of Business

Final 1931 results for 23 British insurance companies representing 85 per cent of the totals of all British offices, have been summarized by the London Times.

These companies for 1931 reported a net fire premium income of £49,770,596 and net underwriting surplus on the basis of 10 per cent for unexpected risks, of £2,296,221 being 4.61 per cent of premium income. Actual results of the different offices varied considerably, it is stated. Methods of calculating the underwriting surplus vary in detail and they would yield slightly differerent results, it is pointed out. In the calculations allowance has been made for the cost of closing the fire and accident accounts on the basis of 40 per cent of the premium income, although some companies assume that as much as 50 per cent is needed.

The total premium income of the same groups of offices in the accident, general or miscellaneous departments last year exceeded the fire premium income and amounted to £56,785,673. These departments include ordinary accident insurance, workmen's compensation, motor insurance, burglary insurance, and a variety of other casualty risks, some of which are written to a considerable extent in the United States.

A generally unfavorable experience there, to which trade depression contributed, tended to lower the average earnings, and on the total premium income of £56,785,673 the actual underwriting surplus was £1,221,949, which was only 2.15%. These difficulties of transacting these forms of insurance with a profit are such that most managements seem glad if they are able to record even a slender surplus, instead of an underwriting loss. In the calculation of the results allowance has been made for taxation overseas, but not for income tax in Great Britain to which the earnings are subject.

The marine premium incomes of the same groups of offices were £10,147,555, but, owing to the peculiarities of this business, average results are extremely difficult to present with a reasonable degree of accuracy. Some companies keep their accounts open for three years so that those reported this year were for 1929; others reported the results expected for 1930; and yet others did not designate any particular year, but showed results which evidently applied to several years.

List of Officers

The list of officers whose figures have been taken into account for the present purpose are the following:

Alliance
Atlas
Caledonian
Commercial Union
Eagle, Star
Employers Liability
General Accident
Guardian
Liverpool & London & Globe
London & Lancashire
London Assurance
North British & Mercantile
Northern
Norwich Union Fire
Pearl
Phoenix
Provincial
Prudential
Royal Exchange
Royal Insurance
Scottish Union & National
Sun Insurance
Yorkshire

MORE SUPPORT FOR HEALTH INSURANCE

Compulsory Insurance Would Protect Public and Doctors

That compulsory health insurance is the only solution for the inability of the public in the face of economic conditions to obtain medical service, was the opinion expressed by Dr. Alexander S. Munro, Vancouver, president of the Canadian Medical Association, in his luncheon address at their annual convention held in Toronto last week. "Throughout the country," he said, "doctors were facing the problem of serving people from whom they could never expect payment."

"It must be obvious to all that it is possible to give this ideal practical effect, only with state or government assistance," Dr. Munro said. "Nor must we lose sight of the fact that the interests of the general public in these problems and their solutions outweigh even the interest of the medical profession."

Less opposition to the principle was expressed in the closed meetings of the council than at previous conventions, it was stated. Progress of a committee which has been studying health insurance was reported at these meetings.

"With doctors throughout the country forced during the last year to give millions of dollars of free medical service, practically all recognize something must be done," a member stated.

Western Wool Clip Higher

There was a substantial gain in the Prairie Provinces wool clip last year, according to the Western Canada News Bulletin. Alberta clipped 4,554,000 pounds; Saskatchewan, 1,605,000 pounds and Manitoba, 1,202,000 pounds, or a total of 7,361,000 pounds.

New Uses Suggested For Business Statistics

Statistics Can Seldom be Used "Raw" But Often Warrant Study

By WILLIAM SNAITH
Industrial Engineer

Daily, weekly, monthly and annually the mills of the statisticians produce figures, tabulation and graphs. Mostly this information is either scrapped or filed for reference after a brief inspection. And yet from the pages of The Financial Post, for example, in the course of much less than a year, it is likely that an average business could glean enough significant statistics bearing on its own problems to have very real cash value.

It is quite true that this will entail some study and analysis. Statistics can seldom be used "raw." Even balance sheets, which are the commonest compilations of figures to come to the attention of the business man, have not yet achieved uniformity, nor anything like it.

Method of Study

In the few illustrations which follow, of uses to which statistics can be put, the value lies not so much in the data presented and worked out as in the method suggested for digesting the facts. All businesses present fundamentally the same problems of production, credit, adequate accounting, and the supreme need for security and profit. Yet the detailed methods by which these are to be achieved differ so widely that each concern must work out for itself just what figures are really significant. Having worked out a technique it is important that it be followed without change, except to correct actual errors, otherwise valuable comparison cannot be made.

The sales possibilities of different sections of the country vary widely. A market index for each province of the Dominion would be a valuable guide to the sales manager or the advertising man. Taking figures published by the Dominion Bureau of Statistics and The Financial Post and reducing each to a percentage of the whole, Table No. 1 was obtained. Weights were next assigned to each of the items, according to Table No. 2, and finally a market index for all the provinces, based on Prince Edward Island as 1, was arrived at, as in Table No. 3. To rebuild this index closer to the needs of a particular case more items could be included in Table No. 1 and weights different from those used in Table No. 2 could be chosen.

Table No. 1. Data for Market Index Provinces of Canada

Item	B.C.	Alta.	Sask.	Man.	Ont.	Que.	N.B.	N.S.	P.E.I.
Population	6	7	9	7	33	27	4	6	1
Purchasing Power	17	12	9	10	18	12	7	7	1
Wealth	9	8	11	7	34	25	2	3	1
Passenger Auto's	8	8	11	7	47	13	2	3	..
Mfg. No. of Employees	7	2	1	4	49	31	3	3	..
Mfg. Value Produced	7	3	1	4	52	28	3	2	..
Building and Construction	7	6	6	5	38	34	2	2	..

Table 2. Weights

Item	Weight
Population	1
Purchasing power	5
Wealth	10
Passenger autos	10
Manufacturing, No. of employees	5
Manufacturing, value produced	20
Building and construction	20

Table 3. Market Index Provinces of Canada.

British Columbia	10
Alberta	7
Saskatchewan	7
Manitoba	7
Ontario	53
Quebec	33
New Brunswick	3
Nova Scotia	3
Prince Edward Island	1
	124

Build Market Index

A market index for the counties of Ontario can be built up from data in the Ontario Bureau of Municipal Affairs' bulletin on municipal statistics. In this case the weights and factors are expressed as points per unit as in Table No. 4 and, from the figures in the bulletin, the market index for Ontario was calculated for Table No. 5. The particular virtue in this tabulation lies in its flexibility. The company might at present have but five or six salesmen covering Ontario, where in normal times a dozen would be employed. Also as business expands in the future this number may be increased. If the record of sales is kept by counties, which is very easily done, the sales figures can be combined to suit past, present and future territories.

Table 4. Market Index for Ontario (Weights of Factors)

Item	Points per Unit	
Assessed Rural Population	1 per	1,000
Urban Population	3 "	"
City Population	5 "	"
Assessed Rural Land	1 "	$1,000,000
" Urban Land	2 "	"
" City Land	3 "	"
" Rural Buildings	1 "	"
" Urban Buildings	2 "	"
" City Buildings	3 "	"
" Rural Business	2 "	$100,000
" Urban Business	6 "	"
" City Business	10 "	"
" Rural Income	2 "	"
" Urban Income	6 "	"
" City Income	10 "	"

Table 5. Market Index for Ontario

County	Index	County	Index
Algoma	448	Muskoka	69
Brant	788	Nipissing	260
Bruce	163	Norfolk	108
Carleton	3,647	N'umberland	106
Cochrane	790	Ontario	549
Dufferin	47	Oxford	357
Dundas	47	Perth	412
Durham	103	Parry Sound	63
Essex	2,115	Peel	111
Elgin	371	Peterboro	651
Frontenac	459	Prescott	86
Grey	314	Pr. Edward	83
Glengarry	43	Rainy River	68
Grenville	61	Russell	38
Haliburton	7	Renfrew	221
Haldiman	78	Simcoe	379
Halton	121	Stormont	174
Hastings	372	Sudbury	171
Huron	167	Thunder Bay	1,071
Kenora	182	Temiskaming	112
Kent	447	Victoria	95
Lanark	168	Waterloo	1,082
Lennox & Addington	53	Welland	854
Leeds	185	Wentworth	3,511
Lincoln	621	Wellington	433
Lambton	449	York Outside Toronto	709
Manitoulin	16	York, Toronto	23,428
Middlesex	1,942		
		Total	49,405

Charts Are Useful

Simple charts of past happenings present statistics in a most satisfactory way, ready for immediate use and calling for no analysis, as a rule. Trends are usually self-evident. If comparisons of trends are required semi-logarithmic paper should be used. In spite of the technical sound of its name it is as easy to use as ordinary cross-section paper. This method of presenting statistics is mentioned here to bring out the point that all statistics are historical and that history is quite distinct and different from prophecy. The search for business barometers continues. There may be isolated cases where the progress of one industry follows a certain number of weeks or months behind another or behind the movements of pig iron or steel or money rates reversed. Where there is a real connection not much danger is involved in forecasts thus based. Where the coincidence is fortuitous it is inevitable that a time will come when the curves will diverge seriously and the forecast will be discredited. There are so many ways in which statistics can be rightly used that it is not worth while to use them improperly.

Can. Wirebound Boxes Class A Earned 50c

Canadian Wirebound Boxes Ltd. had net earnings of $36,072, after depreciation and adjustments, in the year ended April 30, 1932, which compares with $143,331 in the previous year. Class A shares earned 50 cents against $1.92 in 1930-31. After payment of dividends on the Class A shares of $72,423 and transfer of $3,894 to special surplus, surplus account was reduced to $39,147 from $79,726. Special surplus was increased to $275,000 from $204,200 by adjustment of $66,906 on purchase of Class A shares and transfer from general surplus.

While working capital dropped to $335,868 from $416,371 the ratio of current assets to current liabilities was increased to seven to one. Current position was maintained after payment of Class A dividends, expenditure of $9,682 on addition to plant; reduction in mortgage of $10,000 and $38,264 used in purchase of 4,045 Class A shares. There are now 71,955 Class A shares and 40,000 Class B shares outstanding.

Duties and U. S. Premium Raise Hardware Prices

Following the announcement of the Customs Department at Ottawa that the manufacturers' taxes now applicable to certain merchandise sold in the U. S. A., would be collected as a dumping duty on such lines imported into Canada, wholesale hardware firms are advancing their trade prices on items affected. These include sporting goods, ammunition, guns, rifles, etc., of a class or kind subject to the dumping clause, and a marked price advance is expected on these, states Hardware and Metal, Toronto.

Certain files and imported hammers have been advanced, because of the premium prevailing on U. S. funds, according to jobbers. Weakness in grain prices has been reflected in a third reduction of two cents a gallon in linseed oil this week. The basic price of turpentine is reduced, and some distributors have lowered their prices in the Canadian market.

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Dryden Paper

I hold, among other investments, bonds of Dryden Paper Co.; also some common stock. I have not heard anything about the company for some time; can you tell me how it is getting on?

In common with all other units in the pulp and paper industry, Dryden Paper Co. is feeling the effects of general business conditions. Prices for kraft are still unsatisfactory and demand for that product continues at a relatively low level. Our understanding is, however, that the company is earning its bond interest. In the fiscal year ended September 30, 1931, Dryden Paper net earnings were $95,311 compared with interest requirements of $90,000. No depreciation was charged off during the year and net profit totalled $5,311. Under these conditions, the position of the common stock is not impressive at the moment.

Dominion Steel

Among my holdings are some "B" shares of Dominion Steel and Coal Corp. I have noticed there has been considerable trading in this recently and was wondering whether there was any improvement in the situation surrounding the company.

Activity in the steel industry both in Canada and the United States is at a low level and prospects for an early recovery are not yet apparent. Operations of Dominion Steel and Coal Corp. are at a low ebb since orders for steel tonnage are negligible and shipments of ore from the Wabana property have fallen off substantially. The low rate of industrial activity has also found reflection in sales of coal though recent subventions granted may improve this situation.

Earnings in 1931 were $813,737 compared with $2,296,390 in 1930, and after charges there was a net loss of $572,130 for the year. At present there are no indications that figures at the end of the current year will show improvement. One factor, however, which may have a favorable bearing on the company's operations in the future is the present visit of British steel men to Canada. This trip has been made with a view to discussing further co-operation between British and Canadian steel manufacturers, and may possibly lead to some improvement in the situation surrounding the Canadian industry.

C. P. & P. Investments

I am looking for some information on the debentures of Canadian Power and Paper Investments. Can you give me a price on these and what is the outlook for this organization?

There is not an active market for the debentures of Canadian Power & Paper Investments; quotations range from 30-40 on a purely nominal basis. The company, in common with other investment trusts, has suffered severely from depreciation in the value of its holdings; market quotations for its investments at the end of 1931 were $5,501,559 compared with a book value in the balance sheet of $8,203,269. The balance sheet also showed an increase in loans, which totalled $1,812,283. These loans increased interest charges during the year, with the result that net income of $84,021 was not sufficient to cover preferred dividends. Distribution on the preferred stock was deferred early this year.

In view of continued weakness in security markets, indications are that the company's investment holdings have depreciated further during the current year.

International Paper

I hold some preferred stock of International Paper and Power Co. What is the outlook for this concern and do you think that there is any chance of dividends being resumed soon?

In view of the situation existing in the newsprint industry, the outlook for the seven per cent preferred stock of International Paper and Power Company is not very encouraging at the moment. As you probably know, many newsprint manufacturers are finding it difficult to keep out of bankruptcy and several of the leading companies have undergone wide reorganizations. Though International Paper and Power Company has more diversified interests, its earnings naturally reflect difficult conditions. Resumption of dividends on the preferred stock does not appear likely for some time.

McD. & C. Holdings

Can you tell me what McDougall & Cowans is doing now? What is the name of the holding company formed to take over the assets of the bankrupt firm and when will it start paying something to creditors?

McDougall & Cowans reopened for business on March 21, following completion of remaining formalities in connection with the firm's reinstatement on the Montreal Stock Exchange. The firm and members have been discharged from bankruptcy and all rights and assets have been vested in the creditors' realization company which is known as McD. & C. Holdings.

This holding company, shares in which have been issued to creditors, will retain 60 per cent of the profits from the brokerage firm's operations for the next seven years; the remaining 40 per cent goes to the brokerage firm. The first installment payable by the brokerage firm to the realization company is due July 15, 1932, and others are payable at intervals of six months thereafter.

Montreal Tramways

I am considering a switch from City of Montreal bonds and R. C. Schools of Montreal bonds into Montreal Tramways. Would there be any advantage in this move? What is the position of Montreal Tramways?

The switch you have in mind is worth considering provided you are prepared to take a lesser degree of security in your new commitment. City of Montreal 6's are quoted around 97, and R. C. Schools of Montreal around 98. Against this, Montreal Tramways 5's of 1955 are quoted around 72, at which price the issue yields approximately 7.7 per cent.

While increasing your yield, you would sacrifice security to some extent; the Tramways bonds are general mortgage bonds; there is an issue of $21,351,000 of first and refunding mortgage bonds senior to them. On the other hand, Montreal Tramways has an excellent record. It is one of the few urban transportation systems which has been able to maintain its position in recent years, and its earnings enable it to distribute a dividend of ten per cent on its common stock.

Canadian Western Lumber

I am interested in shares of Canadian Western Lumber. Can you tell me how it is doing at present and something about its financial position?

The British Columbia lumber industry suffered a severe blow as a result of the new United States tariff, and several mills have signified their intention of closing down indefinitely. Though Canadian Western Lumber Co. has other outlets than the United States it cannot but be affected by the general situation. A total of 321 mills reporting to the West Coast Lumbermen's Association gave returns for one week in June showing them running at about 20 per cent of capacity compared with about 46 per cent in June, 1931. Nearly 200 of the plants were closed.

Yet the year 1931, though so much better than 1932 to date, was one of the most disastrous experienced by the lumber industry up to that time and the earnings of Canadian Western Lumber Co. were very seriously affected. The decline in turnover and prices which took place during the latter part of 1930 continued with increasing effect into the year 1931. In consequence sales of lumber in 1931 showed a decline of 24.58 per cent in volume as compared with 1930, and prices realized declined 43.08 per cent.

In spite of economies, the earnings of the company for 1931 little more than covered operating expenses, depreciation, and reserves, and in order to provide interest and sinking fund on the five per cent first mortgage debenture stock it was necessary for the company to transfer from reserves of previous years a sum of $248,686. Nothing was available for interest on the five per cent cumulative income debenture stock, and until such time as conditions considerably improve, no payment of interest or on account of arrears of interest on that stock will be possible.

Sales for the period January 1 to April 30, 1932, have still further decreased to 33,261,000 ft., as compared with 36,629,000 ft. for the corresponding period of 1931. Average prices realized have fallen still further by over $2 per 1,000 ft. After April, orders declined still more seriously as building programmes everywhere were curtailed.

B. C. Power Corp.

I own some Class "A" shares of British Columbia Power Corp. I understand earnings are somewhat down this year. Does this endanger the dividends?

British Columbia Power Corp. did not earn enough in the first quarter of the fiscal year which ended June 30, 1932, to cover dividends but in the second quarter earnings recovered sufficiently so that dividends for the half year were covered. Dividends are at the rate of $2 per annum, and in the first six months $1.06 a share was earned and $1 a share paid. In the year ended June 30, 1931, earnings were $2.44 a share and $2 were paid.

One very definite answer comes from the company in that it will pay the usual quarterly dividend of 50 cents a share on class "A" shares on July 15. Apparently the dividend was earned; if gross and net earnings since April 30 have been as high as the average for the year to date and if, as in 1931, no more than $2,585,742 is required to pay bond interest, write-off bond discount and pay preferred dividends of subsidiaries, the $2,000,000 dividends for the whole year will have been covered.

The gross earnings of the enterprise for the 10 months from July 1, 1931, to April 30, 1932, were $11,590,000, as compared with $12,289,000 for the corresponding period of the previous year. Net earnings were $3,912,000, as compared with $4,324,000, a decrease of less than 10 per cent. This would be equivalent to $4,694,400 net for the full year.

The number of passengers carried and the tonnage of freight hauled showed decreases in 1931-32; on the other hand, the output of power for the year to December 31, 1931, was 492,612,000 kw. hours, as compared with 473,860,000 kw. hours for the previous year, and the number of light and power customers increased from 116,444 to 120,477.

The present installed capacity of the mainland and island power plants is now 279,190 h.p. The gas system increased during the year from 560 miles to 585 miles of mains, and the number of consumers rose from 49,703 to 51,245. The enterprise has been in successful operation for 34 years.

Can. & Foreign Securities

Are Canadian & Foreign Securities Co. investments well placed? Is the company strong enough to withstand the worst severity of the present depression? Of course, in such an abnormal period I expect the company's investment holdings to show marked depreciation because no security values have escaped, but if they are well enough placed to justify the hope that income will recover when business brightens I would hang on to my debenture stock. I am not obliged to sell and my wish is to hang on if this company is as good a bet as any.

From your remarks we judge that you are aware that net income of the company fell from $114,464 in 1930 to $80,156 in 1931 because of decreased returns from the company's investments and a falling off in the interest and land profits of its subsidiary company. The company's balance sheet, however, shows a strong liquid position and the company was able during the year to redeem and cancel $88,980 par value of the 6 per cent first mortgage debenture stock, which now stands at $689,585. That in itself should improve the position of the remaining stock.

The investments include 43 per cent in Dominion Government and other bonds, 38 per cent in preferred shares and 18 per cent in common shares. The directors have expressed the opinion that a return of business activity would automatically cancel a great deal of the depreciation in the bonds and shares owned by the company.

Important Secretaries Come With British

Prime Minister MacDonald's Son Will Be Press Liaison at Conference—Sir Horace Wilson is Head of Important Department

By JOHN A. STEVENSON

MACDONALD

A very important functionary at Imperial and international conferences is the individual who acts as intermediary between the deliberating statesmen and the press. By adroitness and agreeable demeanor he can be of material help to his principals just as he can do them a lot of damage by the lack of these qualities. It seems probable that each of the delegates at the Economic Conference will have a spokesman of its own who will meet the newspaper men daily and distill for their benefit such information as he thinks it proper that they should receive. At the Imperial Conference of 1930 the Labor Ministry, which was then in power in Britain, delegated this task to Malcolm MacDonald, M.P., the son of Premier Ramsay MacDonald. It seems now to be arranged that he will fill a similar rôle for the British delegation at the coming conference.

Malcolm MacDonald is the second son of the romantic union of Ramsay MacDonald and Margaret Gladstone. Most of the biographical sketches of Ramsay MacDonald's career have told the story of how when he made his first attempt to enter parliament in 1895 by running for Portsmouth as a Socialist, only to fail in the distinguished company of the future Lord Northcliffe, he received a cheque for £50 from an unknown young woman who had embraced the Socialist faith and was interested in the young Scot's candidature. A letter of thanks led to a meeting and the friendship thus started ripened into love and marriage.

Brains on Both Ends

Margaret Gladstone who thus became Mrs. Ramsay MacDonald was a daughter of Prof. J. H. Gladstone, an eminent scientist and the niece of a still greater scientist, Lord Kelvin. So Malcolm MacDonald, when he was born at Lossiemouth, his father's birthplace, had a heritage of brains on both sides of his family.

He was sent for his education to Bedales School at Petersfield in Hampshire which is an establishment with Quaker traditions and from there he proceeded to Queen's College, Oxford whese without achieving any special academic distinction he took a creditable degree.

Long before he left Oxford, Malcolm MacDonald had been "blooded" in politics. During his school holidays he had accompanied his father to political meetings and on tours through the constituencies and he had acquired a thorough insight into the workings of the Labor movement. At Oxford he was, in the University Union, an earnest advocate of the Socialist cause and so high were his debating powers rated that he was chosen as one of the Oxford debating team which toured North America some years ago. This tour gave him his first contacts with Canada but he has been back several times since and has many friends here.

Finally Wins Seat

After leaving the university he became a sort of unofficial political A. D. C. to his father and at the general election of 1924 he contested unsuccessfully the Bassetlaw division of Nottinghamshire which was held by the Conservatives and was a pretty hard nut to crack. However, he stuck to it and nursed it carefully and at the general election of 1929 he had the satisfaction of winning it from a strong opponent, a K.C. who had held it for nearly 20 years. In parliament he did not push himself to the front but speaking effectively on subjects with which he was familiar he got the ear of the Commons and was counted a very promising parliamentarian. Naturally when the great smash-up of the Labor party came a year ago he stood by his father and ran in his old seat at the general election as a National Labor candidate, winning easily. And when the subordinate offices came to be allocated he was made Under-Secretary for the Dominions, a post for which his travels in the Dominions had given him special qualifications. A man of medium height, who wears glasses, he lacks his father's air of aristocratic distinction and flair for sentimental oratory of a high order, but he has a shrewd capable brain and it is predicted he will go far in politics. In 1930 in London he did the job of acting as liaison officer with the press very well and there is no reason to think that he will have lost his aptitude for it.

WILSON

It has often been said that the real rulers of Britain are the heads of the permanent civil service. Ministers come and go but the undersecretaries remain in charge of administration and give a continuity to it while they evolve policies and reforms and get the politicians to accept them and translate them into legislation. One of these high officials, Sir Horace John Wilson, K.C.B., permanent secretary of the Board of Trade, has been selected to act as general secretary of the British delegation to the conference and to be responsible for its organization.

He was born at Bournemouth in 1822 and received his early education at Kurnella School in that watering place. He then attended the School of Economics at London University, which has from its foundation offered students the best education in economics available anywhere. There he sat at the feet of such inspiring teachers as Graham Wallas and L. T. Hobhouse and was one of their ablest students. Passing into the Home Civil Service in the early years of the century he was given a post in the Department of Labor, when it became a separate organization and, as he had specialized in industrial and labor problems during his university course, he found a suitable metier for his talents. Steady promotion came to him and in 1919 he was appointed Assistant-Secretary to the Ministry to Labor. Two years later when his chief retired he was appointed Permanent Secretary and for eight years was occupied in the management of the complicated problems of British industry in its relation to Labor. He fulfilled his duties to the satisfaction of both Conservative and Labor ministries and came to be regarded as one of their most efficient and trusted civil servants. So when a few years ago the Permanent Secretaryship of the Board of Trade which is one of the key positions in the administration, became vacant, it was felt that owing to the importance of the trade problem, it should be given to the best available brains and so Sir Horace who had been made a K.B.E. in 1924, was transferred to it. He has thus had much to do with Britain's great transition from free trade to protectionism and is now a competent authority upon trade and tariff problems.

FRY

Stanley Baldwin, who will head the British delegation, is bringing with him two private secretaries, Sir Geoffrey Fry and Geoffrey Lloyd. The former belongs to the well-known family of Quaker philanthropists who have been associated for generations with the city of Bristol.

He was born in 1888; was educated at Harrow School and King's College Cambridge, and was called to the Bar in 1913. But he never practised seriously and during the war years he took a position in the Home Office. Manifesting an aptitude for finance he was transferred to the Treasury in 1917 and there his abilities attracted the attention of Bonar Law, who was serving as Chancellor. Law took him from the Treasury to be his chief private secretary in 1919 and when he laid down the premiership in 1923 owing to ill health, he bequeathed Fry to his successor, Mr. Baldwin, who found his experience invaluable and has kept him by his side every hour when he was in office. So with the exception of the periods when the Conservatives were in opposition Sir Geoffrey Fry has been an inmate of 10 Downing St. for a dozen years and has a thorough familiarity with all the phases and problems of British policy.

LLOYD

Geoffrey Lloyd, M.P., who has the rank of Parliamentary Private Secretary, belongs to the well-known banking family which once controlled Lloyd's Bank. He also was educated at Harrow but went to Trinity College Cambridge instead of King's. Having ample means, he had planned a political career for himself and began his training by taking a prominent part in the debates of the University Union, of which he was president. When he went down from Cambridge he served his apprenticeship in politics by acting as one of Mr. Baldwin's junior secretaries. Parliament, however, was his goal and after unsuccessful attempt to enter it in 1924 and 1929 he captured at the last election the Ladywood division of Birmingham which had been held by that erratic politician, Sir Oswald Mosley.

He is considered one of the bright young men of the Conservative party and his maiden speech, as mover of the address, attracted some attention by its breadth of view and independence. He has some knowledge of our problems as he made an extensive tour of the Dominion some years ago.

Lobster Catch of N. B. Increased in Past Year

New Brunswick's fish catch in 1931 amounted to 1,140,878 cwts. compared with 1,244,824 cwts. in 1930, the value dropping from $4,853,575 to $4,156,240 in 1931.

Lobster is the most important fishery product of the province, the catch in 1931 being valued at $1,376,257, an increase of $169,261 over the previous year. The value of the lobster product comprises, shipped in shell, $738,225; canned, $627,860; lobster meat, $8,950; and tomally, $1,222. Increases over the previous year are shown in both shipped in shell and canned.

Second in importance is the sardine fishery with a product in 1931 valued at $837,210. The canned product is the principal form in which the sardine catch is marketed. Salmon is third with a marketed value of $457,751, and smelts fourth with $415,975. The catch of smelts was greater than in 1930, but the marketed value was less. Other kinds of fish showing an increase in catch were cod, herring, tom cod and shad. The last mentioned increased in marketed value as well as catch.

Raw Sugar Prices Gain, Aids Refiners' Position

Drastic Steps Taken by Cuba to Curtail Production Makes Effect Felt in Raw Values — Refined Sugar Slightly Stronger

From Our Own Correspondent

MONTREAL.—Raw sugar values jumped up around 40 per cent recently and though there has since been a slight decline, prices are still well above the record lows established earlier in the year. Prices for refined sugar have advanced marginally in Canada, a situation which works to the advantage of Canadian sugar refineries.

The gain in sugar markets has been due to the situation existing in Cuba. Canadian sugar refineries obtain the major portion of their requirements from Empire markets but prices are largely governed by Cuba. Any movement in Cuban prices immediately finds reflection, for instance, in the B. W. I. market. Prices for B. W. I. raw accordingly have moved upward.

A gradual strengthening in raw sugar prices should aid the Canadian sugar refining companies substantially. For the past year they have been laboring under a falling market and refined sugar prices, which were boosted slightly a year ago to $4.80, have steadily dwindled to $4.50. Today there is an increase of around 5 cents in this quotation.

Earnings Are Maintained

Both Atlantic Sugar Refineries and Acadia Sugar Refining Co. have made good gains in earnings in the past two or three years. In part this has been a reflection of their own astute managements, while the benefits of the application of dumping duties have also helped to make a difficult situation easier. But the position of both companies is governed by the world sugar situation and it is the outlook for this that is significant.

Cuba is a vital factor in the world sugar market and observers say that Cuba is taking nothing short of desperate measures to control her output of sugar. Her object in doing this is to obtain a better price for the chief commodity of the country. Though artificial methods of control of commodities are decried, indications are that the recent upward turn in sugar prices has been largely due to the effectual policies placed in force and proposed in Cuba.

Chadbourne Plan Effective

Through the Chadbourne Plan, wide restrictions in production have already been agreed on. But perhaps more important still, Cuba is breaking up the continuity of her plantings and cultivation to a point that if the present programme is carried through the amount of cane available for future crops will be drastically curtailed. To understand the true significance of this it should be remembered that in Cuba many crops are cut from a single planting. In order to do this constant cultivation is necessary and if cane is left standing in the fields for two or more years it becomes almost worthless. Then replanting is an expensive operation and in view of the present state of affairs in the country there would be a lack of funds available for new plantings.

There are two major programmes under way in Cuba now. The first provides that sugar production for the coming crop will provide for the deduction of any balance ear-marked for the United States but not shipped this year and less any carry-over in the States in excess of normal stocks of 300,000 tons.

Embargo on Exports

The other is even more important. It is proposed that an embargo be established against the export from Cuba of 800,000 tons of sugar during 1932 unless the price reaches 1½ cents. Further, that this quantity be deducted from the amount previously held available for shipment this year to the United States. This embargo, however, has not been officially decreed by President Machado; its delay may have accounted in part for the recent downward tendency in the market. It is felt, though, that this embargo will go into effect.

If this plan goes into effect the result might be that there would be a virtual shortage of Cuban sugar in the United States. It has been estimated that between now and the end of the year, United States requirements of Cuban sugar will be around 970,000 tons. Balance available for shipment from Cuba is thought to approximate 1,686,000 tons, but if the 800,000 tons were withheld from the market the balance available would be 886,000 tons compared with the estimated United States requirements of 970,000 tons.

These are estimates only, but they have been made by close observers of the raw sugar market. If Cuba's plans mature she will have cut her overproduction, which has resulted in ruinous prices, and will stand to have a definite control on her raw sugar output.

Grand Trunk Shareholders Win Round in Legal Fight

The way has been cleared for Grand Trunk shareholders to proceed with their action against the Dominion of Canada for recovery of what they consider to be the value of their stocks, expropriated by the Dominion under the arbitration award that declared these stocks to have no value. Last week in Toronto, Justice Magee threw out an application of the Attorney-General of Canada to have the proceedings dismissed on the ground that they were improperly brought before the courts.

Writ was served by Grand Trunk Junior Stocks, Limited, last December, on behalf of all four classes of junior stockholders of the railway, against the Grand Trunk Railway, the Canadian National Railways and the Attorney-General of Canada. Last March the Attorney-General of Canada sought a dismissal or stay of the proceedings and this has now been refused.

A recent circular sent out by Grand Trunk Junior Stocks stated that Sir John Simon and other eminent leading counsel advocated proceedings in Canada.

Another Grand Trunk committee under the chairmanship of R. C. Hawkin has been raising funds in Britain in order to proceed against the Canadian National Railways in the American courts on the ground that the Parliament of Canada had no power to transfer ownership of the American lines of the Grand Trunk.

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Annapolis Valley Prospects Bright

Present prospects are for a larger yield of apples in the Annapolis Valley this year than last, although the year is still young. Last year's crop of marketable fruit amounted to about a million and a quarter barrels.

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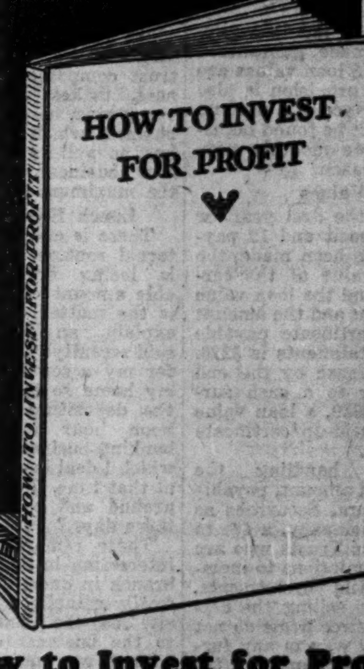
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Current Events in Banking World

ONTARIO COMPANY INTRODUCES NEW SAVINGS SCHEME

First of Its Kind Offered By Canadian Company in the East

Monthly payment savings schemes, such as have been sold in Canada by Investors' Syndicate, Minneapolis, and by two Canadian companies in the West, have recently been introduced into Eastern Canada by Mutual Associates Limited, Toronto.

The scheme of this company, which was incorporated recently under Ontario laws, calls for an initial deposit of $60 and 132 monthly payments of $10 each payable on consecutive months. In return the company covenants to repay depositors the sum of $2,000 in the form of ten annual payments of $200, the first payment dating from one year following the last monthly payment, or alternatively, a cash amount of $2,560, guaranteed payable on the eleventh anniversary of the date of the final monthly payment.

After at least 12 monthly payments have been made, guaranteed cash surrender and loan values are provided for and provision is also made for the issuance of a paid-up certificate should it be found necessary to discontinue monthly payments for any reason.

Loan Values

At the end of the first year, or after the $60 deposit and 12 payments of $10 have been made, the cash surrender value of the certificates is $110 and the loan value is the same amount and the amount of the paid-up certificate payable in ten annual installments is $220. These values increase by the end of the fifth year to a cash surrender value of $630, a loan value of $600, and a paid-up certificate amount of $1,050.

Expenses of handling the scheme are a fixed amount, payable to Canadian General Securities as manager of the company, a fee to London & Western Trusts who are trustees, and commissions to members of Mercantile Investments, Windsor, who are selling the certificates. These three firms do not participate in any way in any further earnings of the company after the guaranteed values have been earned.

Well Directed

London & Western Trusts will invest all moneys received in investments authorized under the trustee act. The guaranteed values which are set forth on the certificates have been arrived at by calculation of interest at 5 per cent and any further profits which are realized will be distributed solely for the benefit of certificate holders.

W. W. Evans, of Canadian General Securities Corp. is president of the company and John R. Mooney, also of that concern, is vice-president. The treasurer is D. K. Stewart. In addition to those above, John S. Moore, general manager of London & Western Trusts, London, and W. P. Fess, vice-president and managing director of Toronto General Insurance Co. are on the board of directors. Three additional directors have yet to be elected.

B. C. Electric Gives Demonstration

Destruction of tree stumps by electrical energy is to be demonstrated on a Fraser Valley farm on June 30, by the British Columbia Electric Railway Company, which is preparing accommodation for thousands of spectators.

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

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IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY
ESTABLISHED A.D. 1905

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,616,449.70
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

Banks Lose Business By Failure to Study Convenience of Clients

Changes of Staff Always Make Difficulties for Depositors

EASILY CORRECTED

Many Customers Only Do Business at Noon When Banks Usually Short Staffed

By an Observer

While Canadian banks have concentrated on many artificial aids to build up and retain savings business, such as free checking privileges, elaborate pass books, budget books, cheque holders, etc., many bank branches are continually losing business through inattention to minor details of service to their customers, service which customers demand and have a right to expect.

Keen competition existing between banks for both current account and savings business and, in larger cities, between banks and trust companies for savings business, makes it imperative that everything be done to foster that business which the branch already has, as well as to work to build up new business, through providing the maximum of service.

Lunch Hour Inconvenience

There is one small matter of internal routine, disregard of which is losing branches a considerable amount of business and that is the matter of lunch hours. To explain, an industrial employee said recently: "I am going to transfer my account to a branch near my home so that my wife can do the depositing. I have only the noon hour for transacting my banking business and the branch at which I deal is always short-handed at that time. I can't afford to wait around and be late at the plant these days."

These remarks are particularly interesting in this case because the branch in question had been specifically established on an expensive site near the plant in order to cater to the business emanating therefrom. It was equipped with the most modern machinery for quick and accurate service and with an ample staff, yet all these aids were discounted through a minor routine arrangement of the staff lunch hours.

Again, changes of staff, unless carefully arranged, often cause considerable loss of business. Very often when a manager retires or is moved to another branch his successor works with him for a few weeks until he is fairly well conversant with the larger customers and understands their requirements, likes and dislikes. This precaution, however, is rarely taken with men in junior positions yet their intimate knowledge of the branch's customers is a tremendous asset to the branch and well worthy of the trouble of passing on to the successor.

Personal Contact Valuable

It would be no exaggeration to say that 90 per cent of savings customers as well as many of the smaller, though valuable, current account customers transact all their business with the teller and ledger-keeper, simply because they have no need for a contact with the manager or accountant, and these junior officials are their only personal contact with the branch. A change in either the teller or ledger-keeper, therefore, forces the customer to do business with a stranger who knows little or nothing of his financial standing or requirements.

How sudden changes of these employees affect business is well illustrated in the following incident.

A customer of a branch bank had been doing business there for a number of years, having both a current and a savings account at the branch through which had passed many large transactions and in which there had always been satisfactory balances. During that time there had been several changes in staff but always the new man had been introduced in some way or other and was able to look after his requirements satisfactorily. However, an overnight change in teller coincided with this customer entering the bank to cash a small cheque when there were a number of other customers in the office and a line-up in front of the wicket. On reaching the teller and presenting the cheque the customer was amazed to hear the teller almost shout to the ledger-keeper, "Are there funds to cover this?" The result was a transfer to another branch—not of the same bank.

It could be argued that had the teller been more polite and explained that the customer was a stranger to him and therefore he would like to have the cheque marked, that no harm would have been done, but even this inconvenience creates resentment. How much better it would have been had the teller been given the opportunity to acquaint himself with most of the regular customers, by working along with the former man for a few weeks.

Bank Chat

Too Many Bankers

A book entitled "How to Become a Successful Banker in Three Months" has something of a "they-laughed-when-I-sat-down-at-the-piano . . ." ring about it but there was such a book published some years ago in the United States, and thereby hangs a tale.

It seems that a close friend of one of America's leading bankers wished to present him with this book as a birthday present and enquired at all the local bookstores for it. None of them, however, had it in stock but one was able to give him the name of the publishers and a wire was sent asking for the book by return mail.

A few hours later the following telegram was received in reply:

"Book How to Become Successful Banker in Three Months not in stock stop no present demand for it stop no one wants to become a banker.
"Success Publishing Company."

Bank of Nova Scotia announces the following staff changes:

J. J. GRAY has been appointed manager at Winchester, Ont., succeeding J. D. STEWART who has been granted indefinite leave of absence.

E. G. SPENCER, supervisor of staff, died in Toronto on June 25, after a brief illness. His successor has not yet been announced.

GRAEME GIBSON ADAM, formerly manager of the Bank of Montreal, Toronto branch, retired on June 30 and was succeeded by R. J. Williams, formerly of Winnipeg. Mr. Adam has had a long career in banking, having joined the Ontario Bank in 1884, and remained with that institution until it was taken over by the Bank of Montreal in 1906. One remarkable fact in Mr. Adam's banking career is that although he had been in the profession for 48 years he never served in a branch outside of Toronto.

LIMIT CURRENCY TO COST OF GOODS

London Chamber of Commerce Adopts Scheme to Abolish Gold Payments

Automatic regulation of the supply of currency to the amount of commodities which are exchanged, thereby largely eliminating fluctuations in price level, was the scheme adopted by the London, Eng., Chamber of Commerce for submission as the basis of monetary discussions at the Ottawa Imperial economic conference.

Alteration of the Bank of England to a bank performing the functions of a purely central bank would be required under the scheme. Currency would be issued against all commodities, as represented by eligible commercial bills, instead of against one commodity like gold, as at present.

Banking credit would be initially fixed at a ratio of nine units of credit to one of cash, but this ratio would vary under the scheme as circumstances demanded, with the intention of correcting tendencies to either inflation or deflation.

Sponsors of the scheme claim it would abolish the necessity of making international payments by means of gold shipments so far as these concern the countries subscribing to the scheme.

Weekly Bank Clearings

Eastern Cities

	July 2, 1931	June 30, 1932
Halifax	$ 2,528,359	$ 1,994,060
Saint John	1,688,769	1,563,671
Moncton	813,801	864,441
Sherbrooke	805,844	490,660
Quebec	5,182,199	4,125,365
Ottawa	5,342,058	4,928,280
Montreal	105,608,206	82,556,980
Kingston	727,693	595,579
Peterboro'	549,266	531,839
Toronto	88,953,483	69,885,162
Hamilton	4,760,257	3,344,783
Kitchener	830,460	742,619
Brantford	884,029	677,670
London	2,850,741	2,260,808
Chatham	523,768	421,416
Windsor	2,458,112	2,312,011
Sarnia	362,265	339,552
Sudbury	678,300	547,172

Western Cities

	July 2, 1931	June 30, 1932
Fort William	$ 560,538	$ 488,969
Winnipeg	33,036,113	31,944,139
Brandon	350,399	299,765
Regina	2,617,718	3,002,337
Moose Jaw	368,707	516,885
Saskatoon	1,402,342	1,231,436
Prince Albert	352,803	215,172
Edmonton	4,216,700	3,093,841
Calgary	5,148,318	4,556,500
Medicine Hat	236,435	147,381
Lethbridge	371,667	289,938
New Westminster	617,827	420,752
Vancouver	15,491,177	11,347,855
Victoria	1,691,773	1,149,741

Monthly Bank Clearings

Eastern Cities

	June, 1931	June, 1932
Halifax	$ 13,791,482	$ 9,945,675
Saint John	9,341,243	7,043,305
Moncton	3,822,398	3,249,911
Sherbrooke	3,376,419	2,429,010
Quebec	22,230,988	18,621,981
Ottawa	29,015,823	21,460,977
Montreal	490,767,480	337,852,928
Kingston	3,101,729	2,627,592
Peterboro'	3,257,921	2,559,795
Toronto	440,613,678	325,662,664
Hamilton	22,940,981	17,341,119
Kitchener	4,866,966	4,555,528
Brantford	4,392,357	3,643,253
London	13,299,045	12,596,359
Chatham	2,139,202	....
Windsor	13,543,498	10,482,003
Sarnia	2,420,861	....
Sudbury	3,768,530	2,246,966

Western Cities

	June, 1931	June, 1932
Fort William	$ 3,099,715	$ 2,490,185
Winnipeg	169,028,460	167,540,853
Brandon	1,766,157	1,467,965
Regina	14,118,177	13,096,757
Moose Jaw	3,143,509	2,299,311
Saskatoon	7,287,167	6,187,888
Prince Albert	1,598,898	1,180,811
Edmonton	20,700,516	16,365,996
Calgary	28,019,433	23,472,955
Medicine Hat	1,060,592	785,853
Lethbridge	1,798,396	1,344,743
New Westminster	2,734,209	1,971,026
Vancouver	71,170,248	51,336,697
Victoria	8,041,390	5,847,243

Brokerage Firm Urges Soundness of Life Insurance

"We can see nothing in the present or probable future situation which should warrant life insurance policyholders in having other than an enhanced regard for the value of their life insurance as a safe and prudent investment," say Fox & Morris, insurance brokers, Montreal, in a recent circular to their clients.

"Not only should every effort be made to maintain existing insurance in full force, but careful consideration should be given to the advisability of increasing insurance in proportion to the depreciations which have taken place in estates, as these losses may vitally affect the minimum provisions which the insured have planned for themselves and their families."

MONETARY WORRY OF PRESENT DAY KNOWN IN 500 B.C.

Treatise of Chinese Economist Has Modern Note

It is surprising how often one can turn to translations of Chinese authors, written in the hey-day of that country's power more than two thousand years ago, and find therein words of wisdom applicable to present day needs. One particular passage is quoted in the July Letter of the Royal Bank of Canada which might easily have been written concerning the present world monetary crisis if terms and usage of 2,500 years ago are altered to conform with present day conventions.

This particular passage predicts the disastrous results which must inevitably follow the carrying out of the command of Emperor Ching to mint heavier coins and banish the light ones from circulation. It may well be likened to the creation of "heavier money" by the failure of international banking to prevent the fall in world prices.

The original translation of this passage is in the Gest Chinese Research Library at McGill University and reads as follows:

"In the year 524 B. C., Emperor Ching of the Chou Dynasty thought that the coins in circulation were much too light, and issued an order to mint heavier coins and banish the light ones entirely from circulation.

"Regarding this drastic change, Shan Mu-kung, a minister of the government, comments as follows: From time immemorial the monetary system of the country has always been so regulated as to relieve the people in time of distress (i.e., economic depression). When the inconvenience of the people is not great more heavy coins are put into circulation for the reason that when the coins are light prices of commodities go up. In this case the heavy coins are standard value; while the light ones are auxiliaries—but they are both in circulation. On the other hand, if the inconvenience of the people is great they cannot bear the burden of heavy money. The light money automatically becomes the standard value and the heavy auxiliary.

"Now, the Emperor has ordered the abolition of light coins completely. The immediate result of this change will be an enormous decrease in the income of the people and consequent hoarding will be inevitable. All this causes a bad effect on the national treasury and directly raises the rate of taxation. When the rate of taxation is raised, financial disaster and political discontent follow.

"Preparation should be made in advance to meet the coming of a financial crisis. If remedy is to be applied only after the crisis has arrived it may be impossible to meet the exact condition and consequently will cause great anxiety."

Prairie Provinces' Sheep Figures

According to the latest report, Manitoba had 165,000 sheep at the end of last year, while Saskatchewan had 209,000 and Alberta, 614,000, making a total of 988,000.

WEST BANK DEBITS CONTINUE DOWN

Only Three Cities Have Higher May Debits Than in 1931

Bank debits in the clearing house centres of Canada were $2,175,000,000 in May compared with $2,073,900,000 in the preceding month, an increase in total of over $100,000,000 but a decline of about 7 per cent after seasonal adjustment. Good increases in the eastern provinces were more than offset by declines in the Prairies and in British Columbia.

Bank Debits to Individual Accounts
(In millions of dollars)

	May, 1932	Apr., 1932	May, 1931
Halifax	26	21	30
Moncton	6	6	8
Saint John	17	15	21
Montreal	612	549	1,084
Quebec	58	41	68
Sherbrooke	6	6	9
Brantford	7	7	10
Chatham	6	6	5
Fort William	5	4	5
Hamilton	48	47	60
Kingston	5	5	6
Kitchener	8	8	10
London	28	26	34
Ottawa	175	141	196
Peterborough	4	5	6
Sarnia	8	7	9
Sudbury	8	4	6
Toronto	651	646	982
Windsor	19	20	32
Brandon	3	2	4
Calgary	42	40	54
Edmonton	31	36	39
Lethbridge	3	3	4
Medicine Hat	2	2	2
Moose Jaw	5	4	7
Prince Albert	2	2	3
Regina	39	45	39
Saskatoon	10	10	12
Winnipeg	221	234	286
New Westminster	4	5	6
Vancouver	98	105	117
Victoria	22	21	22

Insurance for Buyer and Seller

TWELVE FIRMS MEET DEMANDS OF FEDERAL LAW

Foreign Fire Insurance Firms File Asset Declaration at Ottawa

Twelve foreign mutual fire insurance companies have met the new licensing requirements of the federal insurance law and have filed a declaration as to the position of the assets of Canadian policyholders, according to an announcement made by G. D. Finlayson, federal superintendent of insurance.

Section 14 of the Foreign Insurance Companies Act, 1932, provides that the assets in Canada of a purely mutual foreign fire insurance company, including the deposit with the minister, shall continue to form a part of the general assets of the company available pari passu to all its policyholders in or out of Canada in the same manner as its other funds, unless the company files with the minister a declaration that the said assets are held for the protection of the policyholders in Canada exclusively of the company.

The companies filing the declaration or who have declared their intention so to do are the following:

Central Manufacturers Mutual Insurance Co., Van Wert, Ohio.

Hardware Dealers Mutual Fire Insurance Co., Stevens Point, Wisconsin.

Indiana Lumbermen's Mutual Insurance Co., Indianapolis, Indiana.

Lumber Mutual Fire Insurance Co., Boston, Mass.

Lumbermen's Mutual Insurance Co., Mansfield, Ohio.

Mill Owners Mutual Fire Insurance Company, Des Moines, Iowa.

Minnesota Implement Mutual Fire Insurance Co., Owatonna, Minn.

Northwestern Mutual Fire Association, Seattle, Wash.

Ohio Farmers Insurance Co., Le Roy, Ohio.

Pennsylvania Lumbermen's Mutual Fire Insurance Co., Philadelphia, Penn.

Retail Hardware Mutual Fire Insurance Co., Minneapolis, Minn.

United Mutual Fire Insurance Co., Boston, Mass.

COURT HOLDS PAST OWNER ALSO LIABLE

Failed to Change Registration of Automobile Involved in Accident

By failing to change the registration of an automobile involved in an accident the prior owner of a car is jointly and severely liable with the owner for a claim arising out of the accident, Chief Justice Greenshields ruled in Montreal Superior Court, in the first case of its kind to come before the courts.

The question of liability was raised in an action before the court arising out of an accident in which a pedestrian lost a leg and claimed $25,000 damages. The jury in awarding $15,000 damages stated that there was no liability for the accident against the prior owner or the owner before that in whose name the automobile was registered. But because the car was not registered in the name of the owner driving at the time of the accident, it was necessary for the Chief Justice to determine the liability of the two previous owners.

His Lordship dismissed the party in whose name the car was registered on the ground that the liability under section 11 of the Motor Vehicles Act exists only between two parties, the transferror and transferee, but held the prior owner who sold the car to the party involved in the accident jointly and severely liable with the latter for the amount of damages.

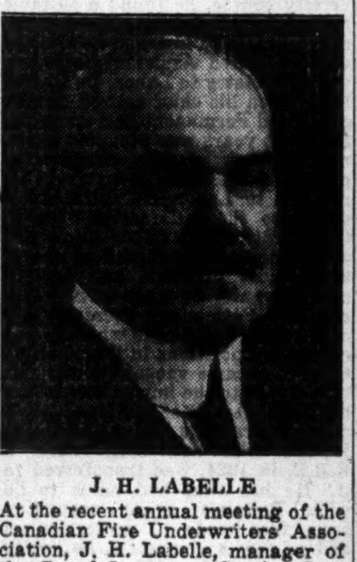
New Quebec Law Is Now Proclaimed

Special order-in-council of the Quebec government put into effect at midnight June 30, the new insurance act of that province which was placed on the statute books of the province early this year.

This means, according to B. A. Dugal, superintendent of insurance in the province, that all insurers transacting business in the province not having paid fees enacted by this order-in-council will be subject to penalties. Enactment of the new statute is the result of the stand taken by the province of its exclusive right to issue insurance licenses.

Details of the new statute as explained recently by Superintendent Dugal were published in The Financial Post of June 25.

New C. F. U. A. President



J. H. LABELLE

At the recent annual meeting of the Canadian Fire Underwriters' Association, J. H. Labelle, manager of the Royal Insurance Co. for Canada, was elected president.

Life Insurance Shareholders Get $320,000

Shareholders in Canadian life insurance companies have received quarterly and semi-annual dividend cheques totalling $320,000 in recent weeks.

In almost every case, payments remain unchanged from previous distributions. The only two changes reported to The Financial Post are the reduction of the Sun Life shareholder dividend from $6.25 to $3.75 per share and the omission of dividend payments by the Dominion Life in continuance of the company's policy announced last year.

Warning Letter

Recently G. D. Finlayson, superintendent of insurance at Ottawa sent out a warning letter to life insurance companies similar to one sent to fire and casualty companies a few weeks ago warning them against paying out distributions to shareholders on the basis of balance sheets as presented as at December 31, 1932. In these statements it will be remembered companies were allowed to use average values for securities held. The circular warned that in making shareholder distributions, actual position as shown by the company's balance sheet on the basis of current market values must be considered rather than average valuations allowed for annual report purposes.

Not all Canadian companies pay dividends at this time, some companies paying only an annual dividend. Those companies making payments at this time and the amounts involved, which it will be seen are for comparatively small amounts in relation to total assets or surplus, follow. Of this list the only change from previous distributions is in the Sun Life dividend.

	Dividend per share	Total divd. paid	When paid
Canada	$5	$50,000	Quarterly
London	2	10,000	Quarterly
Imperial	3.75	37,500	Quarterly
Excelsior	1.20	6,100	Semi-Annually
National	.62½	6,250	Quarterly
Manufactur.	5	75,000	Semi-Annually
Confederation	1	10,000	Quarterly
Great-West	5	50,000	Quarterly
Sun	3.75	75,000	Quarterly
Total		$319,850	

Insurance Inklings

JOHN B. NICHOLLS, financial and insurance broker of Vancouver, was recently elected a director of the Dominion of Canada General Insurance Co.

WALTER F. SMITH has been appointed general superintendent of the Continental Life Insurance Co. Mr. Smith was formerly manager of the Toronto branch of that company.

JAMES SHERRATT, formerly Vancouver Island manager of the Manufacturers Life Insurance Co. has been appointed Vancouver manager with jurisdiction over the entire B. C. mainland.

Confederation Life Association has established a group insurance division in the United Kingdom. N. WALLIS STREAT has been appointed manager of the new British department.

London Life Insurance Co. established a record June with sales for the first four weeks of $10,902,195, an increase of $2,410,395 over the same period of 1931 and $719,152 over the same period of 1930.

L. E. ZACHER, president of the Travelers Insurance Co., presided over the annual convention of the company at Quebec, last week. Nearly 900 delegates representing the leading "all round" producers of the company attended. B. A. Dugal, superintendent of insurance for Quebec, welcomed the delegates on behalf of the province.

AUTOMOBILE LICENSES IN ALBERTA have been issued to the following companies: The American Automobile Fire Insurance Company, The American Automobile Insurance Company, The Great American Indemnity Insurance Company of New York, and the National Slovak Society of the United States of America.

STANLEY COTTLE has been appointed superintendent of western agencies for the Northern Life, according to an announcement by G. W. Geddes, general manager of the company. Mr. Cottle remains as manager for Manitoba, a position he has held for some years.

DR. H. J. MEIKLEJOHN, of Winnipeg, president and managing director of the Sovereign Life, celebrated his 73rd birthday recently.

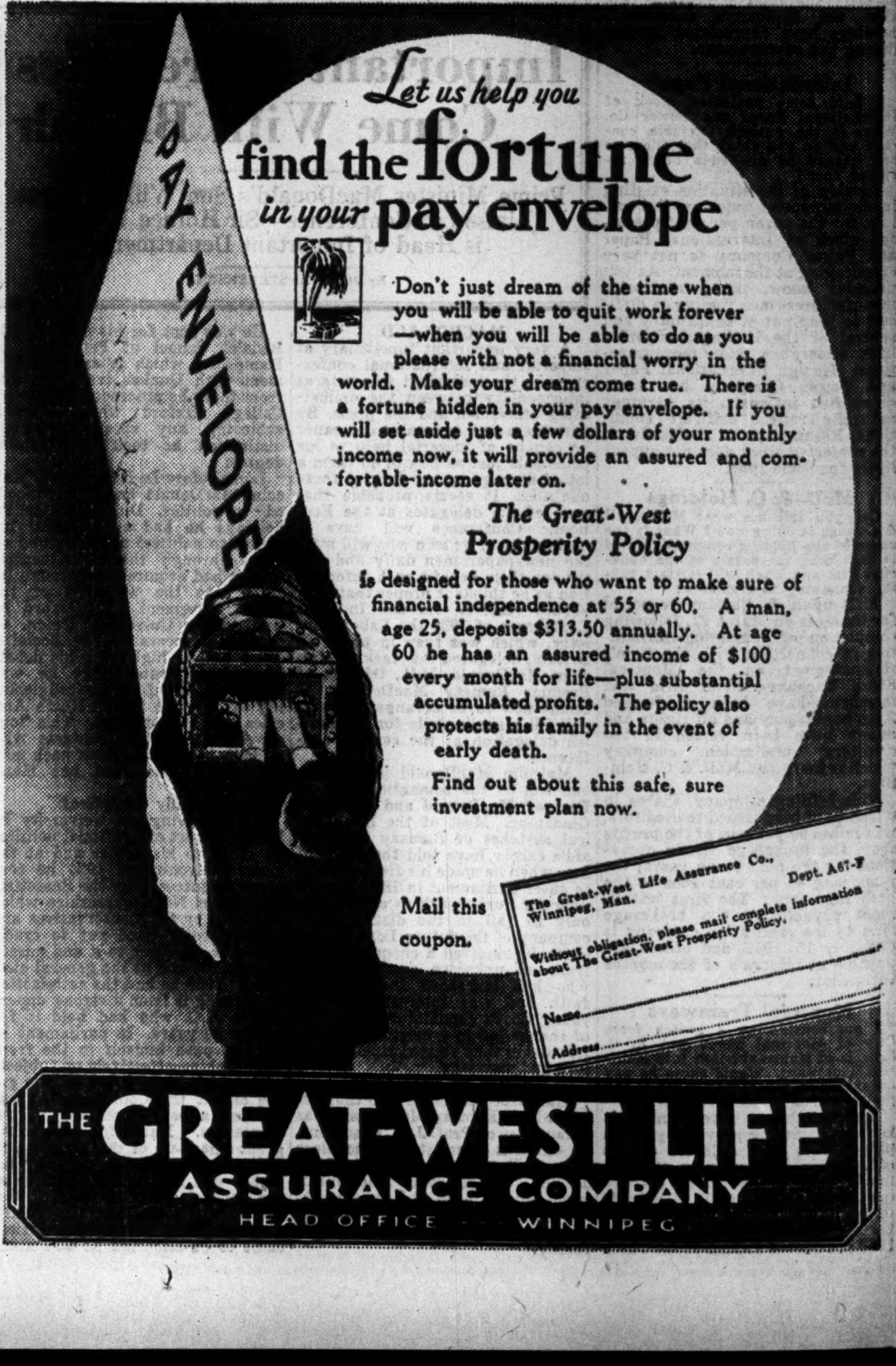
H. W. MANNING, assistant general manager of The Great-West Life Assurance Co., is visiting the company's eastern agencies.

You Don't Have to "Die to Win"
Of the sum paid out last year by the Sun Life in benefit, $68,000,000 was distributed to *living* policyholders
The settlements represented in these figures are making golden the sunset years of thousands of men and women . . . leaving them free from anxiety . . . to do as they please and come and go as they please . . . rewarding them for their own prudence and thrift in earlier years.
Life insurance renders a great service to life itself
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 265 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

DOMINION LICENSE
The
PORTAGE LA PRAIRIE
Insurance MUTUAL Company
Portage la Prairie Toronto Montreal Edmonton Vancouver
PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE WITH SECURITY
Established 1884
Fire, Automobile, Plate Glass, Burglary, Windstorm and Sprinkler Leakage Insurance.
POLICIES REINSURED WITH LLOYDS, OF LONDON, ENGLAND
132

SOLID AS THE CONTINENT
At a time when people think primarily of security and when there is such vital need for protection against the future, Life Assurance is the best and in most cases the only means of securing it.
ESTABLISHED 1881
SOLID AS THE CONTINENT
A MUTUAL COMPANY
ALL PROFITS PAID TO POLICYHOLDERS
The North American Life, a purely mutual company, returns all profits to policyholders and has $118 for every $100 liabilities. It is one of the strongest financial institutions on the Continent.
ASSETS
$46,855,113
SURPLUS
$7,007,959
NORTH AMERICAN LIFE



Let us help you
find the fortune *in your* pay envelope
Don't just dream of the time when you will be able to quit work forever—when you will be able to do as you please with not a financial worry in the world. Make your dream come true. There is a fortune hidden in your pay envelope. If you will set aside just a few dollars of your monthly income now, it will provide an assured and comfortable income later on.
The Great-West Prosperity Policy
is designed for those who want to make sure of financial independence at 55 or 60. A man, age 25, deposits $313.50 annually. At age 60 he has an assured income of $100 every month for life—plus substantial accumulated profits. The policy also protects his family in the event of early death.
Find out about this safe, sure investment plan now.
Mail this coupon.
The Great-West Life Assurance Co., Winnipeg, Man. Dept. A67-F
Without obligation, please mail complete information about The Great-West Prosperity Policy.
Name..
Address..
THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE — WINNIPEG

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

WHEN REMITTING
SEND
CANADIAN NATIONAL EXPRESS
MONEY ORDERS

Capital: $1,000,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE EASTERN TRUST COMPANY
Head Office — Halifax, N. S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

Municipal Bond News
FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds." It is, therefore, the logical medium for municipal bond sale advertising.
Daily and Weekly Editions.
THE BOND BUYER
Since 1891
"The Authority on Municipal Bonds"
67 Pearl Street New York, N.Y.

Stimulate Output of Soy Beans

The Agricultural Bureau of the Winnipeg Board of Trade is taking steps to further the production of soy beans in Manitoba and as a result of the co-operation of the Manitoba Agricultural College about 20 plots of soy beans have been sown on farms in Southern Manitoba. Reports from the farms which planted these beans last year have been very satisfactory.

BRITISH EMPIRE TRUST

The thirty-first ordinary general meeting of the shareholders of the British Empire Trust Company, Ltd., was held June 20th at the Great Eastern Hotel, London, Eng.

Mr. J. Davidson (chairman and managing director) presided, and in the course of his remarks said:

"As you are aware, your company has with great success for many years past specialised in Canadian investments. The trend of events has led, as stated in the annual report, to the major portion of your capital being now invested in Great Britain. This has resulted largely from exchange conditions of, I believe, a temporary character, and does not mean that we have lost faith in Canada as a field for profitable investment. On the contrary, we are only awaiting a favourable opportunity to reinvest in that great Dominion, which contains tremendous potential wealth in raw materials and a virile and industrious population.

"At the present time Canada is suffering severely from the inability of her customers all over the world to take their usual supplies of the raw materials which she produces. The prices of many of her raw materials are therefore at the present time depressed even below the cost of production. This in turn has led to a heavy reduction in the demand by these producers for manufactured articles and has affected adversely her great manufacturing industries in Eastern Canada, and the earnings of her railway systems.

"I am satisfied, however, that sooner or later there must be a revival in demand from all parts of the world for wheat, lumber, wood pulp, paper, nickel, copper and all the other raw products which Canada is able to produce cheaply in such large quantities. When that time arrives, Canada, with its great railway systems, coupled with enormous water plants producing electricity at cheap rates, will, I believe, be among the first nations of the world to recover in generous measure the ground lost during the present depression.

"In the meantime, we continue to be interested in most of the companies with which we have had long connection, and about some of which I will say a few words.

"Having regard to the general depression in business the results of the operations of the British Columbia Power Corporation are not unsatisfactory.

"I regret that I cannot speak so favourably of the Canadian Western Lumber Company, Ltd. The year 1931 was one of the most disastrous experienced by the lumber industry, and the earnings of the company were very seriously affected. The decline in turnover and prices which took place during the latter part of 1930 continued with increasing effect into the year 1931. In consequence sales of lumber for the year 1931 showed a decline of 24.58 per cent. in volume as compared with the year 1930, and prices realised showed a decline of 43.08 per cent.

"It is only owing to conservative and able management and to the strong position which has been built up in the past that the company has been able to carry on under such conditions. It is incredible that such a state of affairs should have continued so long, and in our judgment it is impossible that it can continue much longer if the lumber industry is to survive.

"Canadian and Foreign Securities Company, Ltd.—This company, as was to be expected, in common with all financial companies, suffered from abnormal conditions which obtained both in Canada and throughout the world during the past year. This was reflected in the net income of the company, which for that year was $80,156, as compared with $114,464 for the previous year, the reduction being accounted for in the main by decreased returns from the company's investments and a falling off in the interest and land profits of its subsidiary company. The balance-sheet of this company at 31st December, 1931, shows a very liquid position. The company also redeemed and cancelled during the year under review $88,980 par value of its Six per Cent. First Mortgage debenture stock, which has now been reduced to $689,585.

"The investments held are well diversified: 43 per cent. are represented by Dominion Government and other bonds, 38 per cent. by Preferred shares and approximately 18 per cent. by Ordinary shares. Naturally in such an abnormal period depreciation was experienced in the values of the company's investment holdings, but the directors express the opinion that a substantial portion of this depreciation will ultimately be recovered.

"In concluding my remarks, I want to say again that the credit of your company has been well maintained, and that, bearing in mind that this is the third successive year of the greatest depression we have ever witnessed, it is no mean achievement to be able to present accounts showing such a strong and satisfactory position. With regard to the future, I cannot usefully say very much because there are economic and political forces at work over which we have no control. I would say, however, that just as no boom period lasts indefinitely, neither does any depression last indefinitely. The greatest hopes for recovery rest on the fact that every country in the world has been affected, and that efforts are being made in every direction to bring about improved conditions.

We therefore propose to continue our policy of vigilance and energy in the firm belief that when conditions do improve we shall reap the reward of our efforts."

MUNICIPAL TAX ARREARS GAIN IN PAST YEAR

Citizens' Research Institute Summarizes 1931 Record

The ability of a municipal taxing body to collect from its ratepayers the taxes that have been imposed, is an important indicator to investors in municipal bonds and a recent bulletin of the Citizens Research Institute of Canada gives the tax collection record of 63 Canadian municipalities in 1931 and 1930. In the bulletin it is pointed out that granted the existence of reasonably effective tax collection methods, the promptness with which the municipal taxes are collected is a definite indication of the weight of the municipal tax burden in relation to the community's capacity to pay taxes.

When, in any municipality, uncollected taxes show increases year after year, the municipal governing bodies, if they wish to avoid a lower financial rating and all it implies, should have the situation surveyed carefully in order to see whether the tax collection machinery is suitable to the needs, or how best the tax burden may be decreased. It is stated that the total municipal tax arrears in 226 urban and suburban municipalities in Canada with a population of 2,000 or over increased 19.6 per cent in 1931 compared with 1930. Total taxes levied in these same municipalities increased 6.3 per cent in 1931 over 1930, although the income of the citizens out of which taxes must be paid decreased materially in that time. The percentage which total uncollected taxes formed of the total annual levy in these municipalities rose from 30.8 per cent in 1930 to 34.7 per cent in 1931. It is pointed out that the logical inference to be drawn from these figures is that taxation in Canada must be decreased.

Humberstone Shoe Sales High in May

Humberstone Shoe Co. experienced the largest unit volume of sales during May of any month in its history and dollar volume practically equalled the previous record but profit was slightly lower. The company ends its fiscal year on July 31 and while volume of business is lower than in 1930-31, the annual dividend rate of $2 per share has been well covered.

In 1930-31, earnings amounted to $3.47 per share and in the current year it is expected that per share earnings will approximate $3. Liquid position has been improved. Specializing in childrens' shoes, the company has shown considerable stability in earning power for several years.

Of 63 municipalities shown in the bulletin of the Institute, 60 collected a smaller percentage of their current tax levies during 1931 than in 1930. During 1930, 50 municipalities out of 60 collected less than in 1929 and in 1929 27 out of 59 collected less than in 1928. During 1931 the only three municipalities to go against the general trend were Timmins and Woodstock, Ont., and Quebec City. Timmins was the only centre to indicate an absolute improvement since in both Woodstock and Quebec the per capita arrears and the per capita taxes levied increased. Kingston maintains the best record for prompt collection taxes, having collected 96.1 per cent of the 1931 levy while Woodstock is second with 95.5 per cent.

The following statistics on municipal tax collection as presented in the bulletin of the institute show the record of 74 Canadian municipalities and the relative positions of the municipalities grouped according to geographic distribution, and population:

COMPARISON OF MUNICIPAL TAX COLLECTIONS ACCORDING TO GEOGRAPHICAL LOCATION

Centres with Population of 10,000 or over	No. of Cities	% Increase in 1931 over 1930: In Total Taxes Levied	% Increase in 1931 over 1930: In Total Tax Arrears	% Which Total Tax Arrears Formed of Current Tax Levy: 1930	% Which Total Tax Arrears Formed of Current Tax Levy: 1931
		%	%	%	%
Western group	15	5.1	25.7	29.7	35.4
Ontario	38	7.1	22.5	24.5	28.0
Quebec	15	7.5	11.1	40.7	42.1
Maritime	6	6.3	15.4	33.7	36.6
Centres with Population of 2,000 to 10,000					
Western group	28	0.2	21.9	37.7	45.9
Ontario	82	3.9	27.9	33.3	41.1
Quebec	14	0.5	18.8	30.6	36.1
Maritimes	30	1.6	14.8	42.9	48.6

A COMPARISON OF MUNICIPAL TAX COLLECTIONS 1930-1931 SOME CANADIAN MUNICIPALITIES**

Municipality	Population 1931†	Per Capita Tax Levy 1931	Per Capita Tax Levy 1930	% Current Levy Uncollected at end of Fiscal Year 1931	% Current Levy Uncollected at end of Fiscal Year 1930	Per Capita Total Tax Arrears 1931	Per Capita Total Tax Arrears 1930
		$	$	%	%	$	$
Western:							
New Westminster	17,524	33.75	34.22‡	12.7	8.9	9.26	6.90‡
North Vancouver	8,510	52.34	51.45‡	24.6	19.9	19.68	15.30‡
Vancouver	246,593	51.40	49.28	16.5	12.4	12.59	9.42
Victoria	39,082	46.47	44.19‡	18.3	10.4	13.62	11.38‡
Burnaby District	25,564	28.17	29.66	23.0	18.8	9.72	8.93
Calgary	83,761	48.83	48.01	17.7	14.8	10.98	8.72
Edmonton	79,197	54.11	52.54	19.2	13.9	16.59	13.98
Lethbridge	13,489	41.81	39.10	22.0	17.9	15.43	11.77
Medicine Hat	10,300	41.08	40.87	35.8	31.4	118.88*	92.42*
Moose Jaw	21,299	50.58	50.95	38.5	28.4	28.51	20.10
Regina	53,209	48.24	37.32	25.3	18.1	12.86	7.37
Saskatoon	43,291	40.66	36.73	31.3	23.6	13.07	8.94
Brandon	17,082	36.06	31.38	31.8	26.1	22.62	18.91
St. Boniface	16,305	51.79	51.31	41.2	39.7	29.36	26.14
Winnipeg	218,785	50.09	50.61	27.9	24.7	22.02	19.51
Ontario:							
Belleville	13,790	41.84	40.18	18.6	16.4	12.69	12.21
Brantford	30,107	43.05	41.62	13.9	11.8	8.40	6.93
Cornwall	11,126	24.68	24.64	23.9	23.3	7.14	6.18
Chatham	14,569	40.33	37.75‡	23.8	23.5	12.72	10.05‡
East Windsor	14,251	77.63	63.84	48.5	44.9	59.33	47.46
Ft. William	26,277	52.28	56.20	?	?	10.62	9.30
Galt	14,006	40.38	40.80	12.6	10.0	11.28	9.22
Guelph	21,075	40.07	34.35	22.1	14.7	14.76	9.03
Hamilton	155,547	41.64	40.49	12.2	11.0	8.25	7.91
Kingston	23,439	38.33	38.87	3.9	2.4	1.69	1.26
Kitchener	30,793	41.34	39.32	7.6	?	4.48	2.79
London	71,148	51.55	47.96	14.9	12.6	10.32	8.08
Niagara Falls	19,046	51.93	53.44	29.0	22.9	22.79	17.58
North Bay	15,528	36.14	35.84	15.3	?	8.07	6.07
Oshawa	23,439	40.70	40.42	?	?	19.56	15.57
Ottawa	126,872	47.31	44.04	9.0	8.5	5.65	5.32
Owen Sound	12,839	36.84	36.58	8.7	7.7	4.50	3.21
Peterborough	22,327	44.88	40.10	8.8	8.2	5.41	4.53
Port Arthur	19,818	58.92	61.62	16.4	12.5	18.97	16.92
St. Catharines	24,753	47.76	43.36	14.6	10.8	11.24	7.36
St. Thomas	15,430	38.68	40.54	19.4	13.8	13.57	9.75
Sandwich	10,715	73.70	68.55	44.9	39.5	59.09	46.38
Sarnia	18,191	39.41	40.98	23.2	19.1	16.60	14.71
Sault Ste. Marie	23,082	36.99	36.78	20.1	16.2	12.06	10.67
Stratford	17,742	39.75	36.92	?	?	14.64	13.06
Sudbury	18,518	29.58	21.08	29.4	20.5	11.86	6.39
Timmins	14,200	30.54	35.07	28.6	31.1	12.87	17.37
Toronto	631,207	58.48	53.96	17.0	15.5	12.71	10.43
Walkerville	10,105	79.23	69.18	14.9	14.4	19.20	13.33
Welland	10,709	41.95	41.51	19.9	15.0	14.60	11.16
Windsor	63,108	63.66	53.66	39.4	?	40.37	26.88
Woodstock	11,359	32.62	29.83	4.5	4.7	2.28	2.02
York Township	62,978	47.21	47.48	35.8	31.2	26.34	21.11
Township East York	38,080	40.83	41.24	36.1	33.9	20.18	17.99
Scarborough Twp.	20,682	49.34	39.51	46.8	43.6	32.68	33.46
Etobicoke Twp.	12,276	42.54	42.52	?	?	36.50	30.49
Quebec:							
Chicoutimi	11,877	25.17	26.41	24.1	18.7	9.29	7.85
Granby	10,587	18.85	18.96	?	?	1.67	1.93
Hull	29,433	21.90	28.25	?	?	8.50	9.68
Joliette	10,765	17.43	12.92	22.7	19.8	6.71	3.41
Lachine	18,630	42.71	36.69	11.8	11.5	16.96	13.74
Levis	11,724	18.56	22.08	79.6§	48.2	20.19	14.27
Montreal	818,577	42.28	39.03a	25.3	23.1	17.15	16.04
Outremont	28,641	36.08	36.78	22.5	21.1	11.09	10.85
Quebec	130,594	33.68	30.55‡	23.4	24.0	22.40	18.79‡
St. Hyacinthe	13,448	16.30	15.41	10.1	17.2	6.19	4.49
Shawinigan Falls	15,345	38.27	38.75	7.3	4.7	7.26	5.16
Sherbrooke	28,933	19.93	19.67a	37.1	30.1	12.20	9.51
Sorel	10,320	14.47	15.75	19.8	13.6	3.24	3.24
Three Rivers	35,450	37.28	36.88‡	22.5	22.1	14.53	13.13‡
Valleyfield	11,411	19.09	18.11	10.6	?	3.10	3.26
Verdun	60,745	22.44	28.85	16.6	9.6	4.98	4.61
Westmount	24,235	62.84	59.92a	19.0	15.3	23.65	19.86
Maritime:							
Moncton, N.B.	20,689	37.25	33.01	21.9	21.3	11.34	9.00
Saint John, N.B.	47,514	39.59	35.09‡	13.8	12.9	10.32	9.57‡
Glace Bay, N.S.	20,706	18.50	18.28	28.0	?	9.75	8.45
Halifax, N.S.	59,275	34.11	33.51‡	22.1	20.6	11.81	10.39‡
Sydney, N.S.	23,089	23.25	22.05‡	42.2	38.1	18.96	15.00‡
Charlottetown, P.E.I.	12,361	15.16	14.00	16.1	13.1	4.04	4.00

** While lack of space prevents the printing of detailed figures for all the municipalities upon which the percentage on the front page are based, if any member desires details for any such municipality it will be gladly supplied upon request.

† Dominion Census figures.

‡ Figure differs from that given in last year's report as it has been adjusted to a population in line with the 1931 Census.

§ Levy collected in December.

(a) Corrected figure. * Large reserve against this.

Granting of Paroles Involves Secrecy Dangerous to Public

The Winnipeg Free Press

The releasing on parole of two mining brokers of Toronto, under what it regards as suspicious circumstances, is declared by The Financial Post to be a matter of public importance which should be cleared up by the government.

Apart from the merits of this case, which the Toronto journal thinks demands an explanation by the government, it may be said that the whole question of granting parole calls for public consideration. Successive governments have maintained that the reasons for granting parole should not be divulged. It has been said that this was an exercise of the royal prerogative which called for no explanation. That is all constitutional eye-wash. The paroling is now done only on the advice of the government, which must take the responsibility. And there are no other reasons which justify the secrecy which has always covered the granting of parole and which has frequently left strong suspicions of the motives, and justification of the action taken by the government.

Nor is it too much to say that the suspicions have sometimes been well founded and that parole has been granted for ulterior and unworthy reasons—out of favoritism and simply as a result of influence used by the Government. The record of the last ten years in Winnipeg, if all the facts were known, would not stand inspection. There have been a number of cases which exemplified the wrong use of the power of parole and which plainly condemn the practice of secrecy by the government.

The administration of justice is one of the things of which, on the whole, Canadians have reason to be proud. But there is a smirch on the record in the improper considerations and influences that sometimes affect decisions in regard to parole. Politicians on the inside of both parties know this to be a fact.

The remedy is to end the secrecy. There is really no reason or justification for it. Experience has shown that there is strong reason against it. The government should give the public the grounds for granting parole, just as it explains its reasons for any other action.

Canadian Cotton Interests Resent Lancashire Report

Delegates Flay Tariff System on Return to England—Canadian Manufacturers Claim Britons Came With Demands, Not Proposals

From Our Own Correspondent

MONTREAL.—Canadian cotton interests are up in arms about the report which Lancashire delegates submitted to Rt. Hon. J. H. Thomas, Secretary of State, for the Dominions on their return to England. The Lancashire men had visited Canada to discuss ways and means of broadening the British cotton market in Canada.

The chief exception which the Canadian interests have taken to the attitude of the Lancashire delegates is that they came with demands rather than proposals. Further, Canadian cotton men say that inaccuracies have crept into the final report which presents only one side of the true situation.

Stress Tariff Reductions

The Lancashire delegates in their report say that nothing short of a reduction of tariff levels in the Canadian market will offer the volume of trade which the chief industries of the United Kingdom are entitled to look for under Imperial preferences. They go on to say that while Canadian manufacturers individually showed marked cordiality toward the abstract proposition of Empire co-operation they showed marked reluctance to contemplate the slightest diminution in the level of protection against the British industry. The delegation also suggests that a tariff of 7½ to 8 per cent would be adequate to meet the difference in labor costs between Canada and Britain while slight additions to this tariff level would be equitable for any other burdens on the Canadian industry.

Rapping existing tariffs the report stated that the present Canadian tariff system was an intolerable hindrance to clear and final inter-Empire agreement and it therefore advocated the unification of all Canadian duties into a single ad valorem duty. The report stated that Canadian interests contemplated higher tariffs against foreign imports as the only measure of securing a more satisfactory share of trade for the United Kingdom.

Canadian Interests' View

To this the Canadian cotton interests, in a published statement, have stated it would be absolutely impossible for the Canadian government, whatever its political character, to carry out the British tariff proposals in any material degree without destroying the entire cotton manufacturing industry of Canada.

The Canadian statement continues in part:

"At the outset, in their prepared briefs, the United Kingdom delegates presumed to rewrite the Canadian cotton tariff schedule from their own viewpoint and to their own advantage. They made dogmatic and wholly unsupportable statements to the effect that the present tariffs afforded excessive protection to Canadian mills, whereas actually the present Canadian tariffs in cents per pound, are lower than in 1928. They criticized Canadian currency and dumping regulations on imports from Great Britain, without any recognition of the inequalities of the respective exchanges of Canada and Great Britain, or any consideration of the relative purchasing power of the Canadian dollar in Canada to the British pound in the United Kingdom.

They condemn Canadian excise and sales taxation, but could not suggest any other means for Canada to collect revenue. They strongly suggested single ad valorem duties, which had been in effect from 1897 to 1930 but which were found totally inadequate to meet existing abnormal world trading conditions. The whole faulty and prejudiced argument of the thousand and one Canadian mercantile interests who are striving to gain excessive profits on imported goods for re-sale in Canadian dollars in competition with Canadian produce was incorporated in the original briefs submitted by the United Kingdom delegation without qualifying or supporting argument. It was like the big boy ordering his playmate to hand over his marbles and watch the big fellow make merry.

Estimate Canadian Market

"Considerable emphasis was laid by the British delegation on the extent of the Canadian market for cotton goods. Their figure of 400,000,000 yards annually is excessive, according to the Canadian trade. Import cotton trade was placed at 125,000,000 yards annually, again an extravagant figure.

"Canadian estimates of the annual market, based on very accurate knowledge, are 325,000,000 and 85,000,000 yards respectively. Of this latter, British mills are already supplying about 52,000,000 yards. Immediately, the Canadian proposals should increase British imports of cloth to around 70,000,000 yards, and imports of yarns by from 1½ to 2 million pounds, from about one-half, as at present, to 100 per cent of the total cotton yard import trade.

Benefit British Mills

"These proposals constitute an immediate benefit to British mills. Abnormal world trading conditions, depreciated currencies, and so forth, prevent Canada from initiating reforms suggested by the British delegation until the conditions making them necessary are removed. The onus for this condition and for the removal of these trade barriers falls much more directly on Great Britain than on Canada, and Canada will follow the lead of England, United States and the other great trading nations in the direction of normal trading conditions. At present, Canada cannot afford, in the textile or any other industry, to lower her defensive measures to make this market the dumping ground of Great Britain and the rest of the world. Our employment and economic problems are too onerous to permit of even serious consideration of the British tariff proposals at the present time."

The statement went on to say that wage earnings in Canadian cotton mills are 87 per cent higher than in Lancashire mills. Drastic wage cuts are being enforced in Lancashire cotton mills, while no wage cuts have been made in the Canadian cotton industry. It is stated that mill prices for cotton goods in Canada today are lower in relation to the cost of raw cotton than at any period since 1915 when lower wages prevailed.

Finally, it is stated that Canadian cotton interests expected a frank and open discussion of cotton market conditions in Canada and elsewhere, with a view to working out some advantageous, mutually agreeable arrangement for dividing the Canadian market between Canadian and British mills. Instead, they were met at the outset with prepared briefs and a cold matter-of-fact statement of the British demands which they were asked to digest and accept.

In conclusion, it is stated that the Canadian cotton industry representatives do not resent the British attitude in any way but the fact remains that it is the Canadian market which is to be divided, the Canadian cotton industry is at stake, and the Canadian situation is best known to those whose whole interests are concentrated in this market.

Air Mail Active Last Year

Nineteen million letters, having an aggregate weight of 470,461 pounds were carried by air under Canadian Post Office contracts in 1931, according to the Report on Civil Aviation issued by the Department of National Defence. The total route mileage, as at August 15, was 5,038 miles while the distance actually flown was 1,412,444 miles. The report notes that, "air transport in the far north shows great activity. The discovery of important mineral deposits in the Northwest Territories is directly attributable to flying." The number of all aircraft in Canada is put at 495.

Ottawa Wholesale Outlets Do $27,000,000 of Business

First Census Return to Be Made in Canada Analyzes Different Kinds of Establishment

Volume of business done by 94 wholesalers in Ottawa in 1930 totalled $22,362,000 according to the first survey of its kind ever officially prepared and summarized in a preliminary report of the census of merchandising and service establishments, 1931, Dominion Bureau of Statistics.

These establishments employed 1,061 persons during the year who received $1,506,800 in salaries and wages. Values of stocks on hand totalled $4,389,700.

Wholesalers for the purpose of the analysis are divided into two groups, those carrying on a wholesale business proper, and those functioning through booking and sales offices. In the latter group are brokers, selling agents, commission and manufacturers agents and so forth. These firms are analyzed separately from the figures given above for wholesalers proper and for 78 firms show a total business of $14,550,900, a considerable part of which can be considered over and above the previous figures for regular wholesale establishments.

Food and Tobacco Head

Twenty-six of the wholesalers proper in Ottawa are engaged in handling food and tobacco products. Their sales in 1930 were $8,848,200 which constituted 39.5 per cent of the entire business of wholesalers proper in Ottawa. In addition, bakeries and dairies which report to the Census of Industry did a wholesale business of $1,856,528. There were 6 grocery wholesalers with net sales of $4,764,100, 9 dealers in fruits and vegetables with net sales of $1,950,000, 4 tobacco wholesalers with net sales of $1,043,400, and 7 others with net sales of $1,090,100.

The next group in importance is the 9 wholesalers in lumber and building materials with net sales of $3,213,600. Then follow 5 wholesalers in farm products and supplies with net sales of $2,700,200, 9 wholesalers in dry goods and apparel with net sales of $1,622,700 and the automotive group with 4 establishments and $1,124,500 net sales.

Analysis of types of wholesaler follows:

Types of Wholesale Distributors

Type of distributor:	No. of estab.	No. of employees	Net sales (1930)
Wholesalers, total	94	1,061	$22,362,000
Wholesale merchants	80	986	20,371,700
Supply house & equip. dealers	5	38	518,700
Exporters	1	37	1,476,600
Importers	6		
Wagon distributors	2		
Others, total	78	626	14,550,900
Bulk tank stations	6	85	2,061,500
Manuf. agents	19	45	1,148,100
Manuf. sales branches	42	383	9,222,200
Brokers (food prod.)	2	113	2,419,100
Farm prod. buyers	2		
Comm. merchants	2		
Gen. sales offices	1		
Selling agents	2		
Warehouses	2		
Total	172	1,687	36,912,900

ANALYSIS OF PROPER WHOLESALE ESTABLISHMENTS, OTTAWA, 1930

	No. of Estab.	No. of Employees*	Salaries & Wages	Sales (1930)	Stocks on hand end of yr. (at cost)
Dry goods and apparel	9	117	$ 193,700	$1,622,700	$ 495,500
Food and tobacco prod.:					
Groceries	6	172	239,100	4,764,100	732,200
Fruits and vegetables	9	53	57,600	1,950,600	47,700
Tobacco	4	27	45,700	1,043,400	59,500
All other	7	45	66,000	1,090,100	75,200
Total	26	297	408,400	8,848,200	914,600
Farm products and supplies	5	33	41,900	2,700,200	465,200
Automotive	4	82	128,700	1,124,500	215,400
Books and magazines	4	27	12,800	179,800	2,700
Hardware, electrical, plumbing	8	76	110,800	1,072,900	208,700
Lumber and building materials	9	139	220,400	3,213,600	1,356,900
Machinery, equipment and supplies	10	66	114,600	952,100	200,200
Paper products	6	35	52,500	419,300	118,700
All other	13	189	223,500	2,228,700	411,800
Grand total	94	1,061	$1,506,800	$22,362,000	$4,389,700

*The number of employees includes those working both full time and part time and also proprietors and firm members receiving a fixed salary, therefore, the amount of salaries and wages represents the entire wages bill. The figures do not provide any basis for computing average wages, average sales per employee, or rate of stock turn. In later reports the data will be presented in greater detail and more accurate computations may then be made.

Paramount Publix Shows Heavy Loss

Paramount Publix Corporation, in its consolidated statement, which includes profits and losses of subsidiary companies, reports a combined net loss of $2,450,911 for the three months to April 2, 1932.

This loss is after deducting interest, depreciation and all other charges and reserves. During the period a reserve was provided for depreciation of fixed assets amounting to $3,556,283, of which $3,033,467 was charged off and the balance of $522,815 was capitalized to film production cost. For the three months to March 28, 1931, the corporation reported consolidated net income of $3,515,652.

Nashwaak Co. Plant Bought By Port Royal

From Our Own Correspondent

MONTREAL.—Mill and real estate of the Nashwaak Pulp and Paper Co., located at Fairville, near Saint John, N.B., has been sold to the Port Royal Pulp and Paper Co. with head office at Quebec City, it is reported. The transaction does not include timber holdings of the Nashwaak Co. on the Nashwaak and southwest Miramichi rivers. The purchase price is reported to be approximately $250,000 but figures have not yet been made public.

Nashwaak Pulp and Paper Co. closed its plant in October, 1930; the property had a productive capacity of about 85 tons of sulphite pulp daily. Nashwaak was a subsidiary of the Oxford Paper Co. of the United States, which acquired control in 1916. There was no direct Canadian investment interest in the company. Timber limits controlled, cover about 226,000 acres of freehold land and 146,000 acres of government leased land in New Brunswick.

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Cooksville Holders Will Discuss Plan

From Our Own Correspondent

MONTREAL.—Shareholders of Cooksville Co. will meet July 11 to consider a plan which provides for the sale of their Delson property to a proposed new company. The new company will be created to acquire, in addition, the assets of the National Brick Co.

In return for the sale of the Delson property, Cooksville Co. would receive $500,000 of 6 per cent first preferred stock and 74,643 no par common shares of the new company. Total capitalization of the new organization will comprise $500,000 of 6 per cent first mortgage bonds; $500,000, 6 per cent first preferred and $1,562,500 second preferred stock, and 100,000 shares of no par value common stock.

England Demands Canadian Apples

An unprecedented demand for Canadian apples in Great Britain is reported by J. Forsyth Smith, Canadian Government Fruit Commissioner to Great Britain. "This demand is not only for the boxed British Columbia apples but for barrelled apples from all parts of Canada," he said.

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Without prejudice and without any claim to prophetic vision, The Financial Post a few months ago published a series of articles on good Canadian stocks that seemed to meet the most obvious tests that needed to be applied to good securities. These articles were reprinted in booklet form. A few copies of this booklet (48 pages and cover) are available at 25c

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING JULY 4

Range 1932 High	Range 1932 Low	Divd. Rate in $	Yield in % July 2		Sales	Close June 27 (or last)	Week Ending —July 4— High	Low	Close
3.25	.60			Abitibi	20	1.00	1.00	1.00	1.00
10	2			Do. pref.	80	2½	2½	2½	2½
x105	80			Do. pref.					
80	80	7		Acme F. D'y, p		80			
5	4½			Agnew Surp.		5			
70	70	7	10	Do. pref.		70			
7	3½			Alta. Pac. Gr.		3½			
25	19			Do. pref.	10	20	20	20	20
3½	1½			Amal. Electric		1½			
11	9			Do. pref.	100	10½	10½	10½	10½
x3½	2½			Anglo. N. Hold.					
.37	.15			Asbestos		.15			
1.00	.60			Do. pref.		.60			
6	4½	60c	13.3	Assoc. Brew.	100	4½	4½	4½	4½
70	65	7	10.5	Do. pref.	10	68½	66½	66½	66½
3	3			Assoc. Can.		3			
x69	65			Assoc. Tele. A					
30	16			Atlan. Sugar	200	29½	30	29½	29½
120	92			Do. pref.		120			
159⅞	127½	10	7.8	Bk. Can. Nat.	107	129½	129½	127½	129½
225	150	12	7.8	Bk. Montreal	177	151½	155	152	155
274	238	16	6.7	Bk. N. Scotia	5	240	238	238	238
193	125	12	9.1	Bk. Toronto	7	130	131	130	131
x24	8½			Barcelona					
3	2½			Bathurst Pr.		2½			
1	1			Do. (B)		1			
‡26	26			Bawlf Grain					
x25	20			Do. pref.					
5	4			Beath & Sons		4			
10½	4			Beatty Bros. A		4			
60	41	6	14.6	Do. pref.		41			
3.50	.40			Beauharnois	760	.45	.45	.40	.45
x93	55	7		Belding Cort.					
65	65	7	10.7	Do. pref.		65			
120	75	7	8.8	Bell Telephone	579	81	80½	78½	80
3½	2			Biltmore Hats	25	3½	3½	3½	3½
50	50	7	14	Do. pref.		50			
4	1½			Bissell, T. E.		1½			
‡97	88			Do. pref.					
8	2			Blue Ribbon		2			
25	10	2	20	Do. pref.		10			
20	17½	2	11.1	Brant. Cd. pf.	45	18	18	18	18

14½	7½	[illegible]		Brazilian Tr.	5516	9½	10½	8⅞	10
.40	.40			Brew. & Distil.		.40			
1	¼			Brewing Corp.	25	¼	¼	¼	¼
3½	1			Do. pref.	20	1½	1½	1½	1½
11½	8½	80c	9.4	Brit. Amer. Oil	1677	8½	8½	8½	8½
1.75	.60			B.C. Packers		.60			
6½	4			Do. pref.		4			
26	15	2	12.8	B.C. Power A.	871	16½	16½	15½	16½
7½	3½			Do. (B)		4			
4	2			Bruck S. Mills		2			
20½	10	1.40	14	Building Prod.		10			
32	17	2.40	12.6	Burt, F. N.	125	19½	19	19	19
125	120	6	5	Calgary Pr.		120			
3	1½			Canada Bread		1½			
85	82	7	8.4	Do. pref. A.		83			
25	25	2	8	Do. pref. B.		25			
9	6½	1	14.3	Canada Bud	210	7½	7½	7	7
7	2			Canada Cement	140	2½	2½	2⅝	2⅝
66	20	6.50		Do. pref.	127	20	21	20	21
18½	6	1.20	14.1	Canada Dry	1500	8	8½	7½	8
6	2½			Can. Forg. (A)		2½			
7½	2			Do. (B)		7½			
x68	60	3		Canada Iron					
x80	75	6		Do. pref.					
14½	9½	1.50	14.8	Can. Malting		10⅛			
15	10½	80c	7.5	Can. Nor. Pr.		10⅝			
92	52½	7	11.7	Do. pref.	8	60	60	60	60
x6	½			Can. Paving					
x51	10½			Do. pref.					
186	140	12	8.6	Can. Perman.	24	144	140	140	140
1	½			Can. Pr. & Pa.		½			
2½	1			Can. Steamsh's	10	2½	1	1	1
9	1			Do. pref.	641	2	2	1	1
16	9½	1.60	14.9	Can. Vinegars		10¾			
55	28½	4	14	Can. W. Cable	242	30½	30	28½	28½
18	4			Do. (B)	79	5	5	4	5
1½	1½			Can. Bakeries		1½			
14	11			Do. pref.		11½			
191	123	12	9.7	Can. Bk. Com.	243	125	128	124	125½
13½	9	1.25	12.5	Can. Bronze		10			
102	102	7		Do. pref.		102			
5½	1½			Can. Canners	240	1⅞	2¼	2¼	2¼
80	40	6	12.7	Do. 1st pref.	21	45	48	45	48
9	3½	40c	8.4	Do. 2nd pref.	5	4½	4¾	4¾	4¾
7½	2½	60c	17.1	Can. Car & F'y	175	3	3½	3½	3½
16	10½	1.75	17.1	Do. pref.	710	10½	10½	10¼	10¼
6	3⅜			Can. Celanese		3⅜			
60	42	7	16.7	Do. pref.	25	43	42	42	42
20	20	2	10	Can. Convert.		20			
‡50	45			Can. Cottons					
60	60	6	10	Do. pref.		60			
17½	7			Can. Dredge	65	8½	8¼	8¼	8¼
x92	92	7		Do. pref.					
68	60	6	8.9	Can. Fairb. pf.		67			
4	3			Can. For. Inv.		3			
65	55			Do. pref.	50	65	55	55	55
180	115	4	3.5	Can. Gen. Elec.		115			
59	52	3.50	6.6	Do. pref.		53			
66	29	6	20.6	Can. Hyd. E. p	105	30	30	29	30
1½	¼			Can. Ind. Alc.	310	1	1¼	1	1¼
1.00	.30			Do. (B)	50	.30	1.00	.75	.75
x5.00	3.95			Can. Int. I. Tr.					
x70	64½			Do. pref.					
20	20	1	5	Can. Lt. & Pr.		20			
1½	1			Can. Locomo.		1			
x25	5			Do. pref.					
b1½	½			Can. Marconi	300	½	½	½	½
13	7	1	11.7	Canadian Oil	200	7½	8½	8½	8½
98	95	8	8.4	Do. pref.		95			
22½	8½	1.25	12.5	Can. Pacific	5026	9⅞	11⅛	9¾	11⅛
2½	2			Can. Vickers		2			
20½	20½			Do. pref.		20½			
2½	1	20c	14.6	Can. Wineries	5	2	1⅜	1⅜	1⅜
7½	4½	1	20	Can. Wire Box		5			
12	7			Catelli Mac A.		7			
x5	5			Do. (B)					
x301	290	10		Cent. Can. L'n					
2.02	.50			Chem. Research	1800	1.25	1.35	1.16	1.30
7.25	4.50			Cities Service		6.00			
6	3			Cockshutt Plow	680	4	4	3½	3½
2	½			Comm. Alcohol	35	1	½	½	½
3½	1			Conduits		1½			
x94	84			Do. pref.					
8	3½	50c	12.5	Cons. Bakeries	155	4	4	4	4
1	¼			Cons. Food Pr.		¼			
x6	3			Do. (A)					
5	2			Cons. Indust.		2			
4	4			Cons. Paper		4			
15	15			Cons. Press		15			
35	30	4	11.4	Cons. Sand. pf.		35			
75	25			Cons. Smelters	471	29	39	29½	38
166	142	10	6.6	Consumers Gas	46	150	151	150	150½
‡35	30			Cooksville Co.					
‡85	85			Do. pref.					
‡90	90			Corr. P. Box, p					
3½	2⅜			Cosgrave Brew.		2½			
5	2			Cosmos Imp.		2			
68	40	7	17.5	Do. pref.		40			
3	2			Crown Dom. Oil		2½			
13	8	3		Crow's N. Coal		8			
1½	1			David & Fre. B		1½			
x12½	12½			De Havilland					
15	10			Do. pref.		10			
x9	5			Disher Steel					
x10	10	1.50		Do. pref.					
6¾	3½			Distill-Seagram	270	4	4½	4	4½
7	7			Dodge "A" pf.		7			
2	1½			Do. "B"		2			
194	125	12	9.6	Dominion Bk.	11	132	125	125	125
27	9	2.50	27	Dom. Bridge	411	9¼	9¼	9	9
x40	40			Dom. Coal					
22½	21			Dom. Engineer		21			
65	30	5	16.7	Dom. Glass		30			
112	85	7	8.2	Do. pref.		85			
5½	1½	20c	13.3	Dom. Motors	70	1½	1½	1½	1½
7½	3½			Dom. Pr. Stubs		5			
2½	1			Dom. St. & C B	3165	1⅛	1⅛	1	1
20	13	1.20†	9.1	Dom. Stores	298	13⅛	13⅛	13	13¼
5	2			Dom. Tar & Ch.		2			
x95	79½			Do. pref.					
63½	39	5	12.5	Dom. Textile	68	40	40	40	40
105	90	7	7.8	Do. pref.		90			
x12	10			Donnacona					
2	½			Dryden Paper	225	¾	1	1	1
4	2			Duff. Paving		2			
49	28			Do. pref.		28			
20	20			East. Koot. Pr.		20			
x97	94½			Do. pref.					
16	9	1	11.1	East. Dairies	11	9	9	9	9
x20	16	1		East. Steel					
x100	97	7		Do. pref.					
‡34	28½	2		East. Theatres					
‡85	80	7		Do. pref.					
x3½	3½			Easy Washer					
9	4½	1.50		Economic Inv.		4½			
x15	15			Edmonton D'y					
x80	78½	6.50		Do. pref.					
4	4			Enam. & Heat.		4			
19	6			Eng. Electric	1	10	6	6	6
2½	1½			Do. (B)		1½			
6	6	2		Fam. Players		6			
7½	7½	2		Do. Vot. Tr.		7½			
10	9			Fanny Farmer		9			
29	25	2.40	9.6	Do. pref.		25			
‡83½	75			Firstbrook Box					
16½	5½			Ford Motors A	608	7½	8	7½	8
3½	2			For. Pr. Secs.		2			
9	5	50c	10	Foundation Co.	100	5	5	5	5
1.25	.25			Fraser Cos.	25	.25	.30	.25	.25
50	50			Front. Brew.		50			
50	50			Do. pref.		50			
x8	5			Frost Steel					
x96½	85			Do. pref.					
2.00	.50			Gen. St. Wares	110	.50	.75	.75	.75
82	38	5	11.4	Goodyear Tire.		42			
93½	70	7	9.8	Do. pref.	15	73	71½	71	71
x93½	93½			Gould Pumps p					
¾	¼			Gt. W. Saddlery		¼			
x8	6			Do. pref.					
21	8	1.60	16	Gurd, Chas.	10	10	10	10	10
106	105	7	6.7	Do. pref.	4	106	105	105	105
5	2			Gypsum, Lime	100	3	2½	2½	2½
7	2			Ham. Bridge	45	3	3⅛	3	3
60	50	6.50	13	Do. pref.	25	60	50	50	50
10	6			Ham. Cot., pf.		7			
2	1½			Ham. U. Theat.		2			
53	48	7	14	Do. pref.		50			
4	2			Hayes Wheel		2			
‡95	80			Do. pref.					
‡50	50			Hillcrest Coll.					
‡91	91			Do. pref.					
2	1			Hinde & Dauch		1½			
x75	75			Holt Renfrew					
‡96½	90	7		Do. pref.					
[illegible]	½			Honey Dew		1			
40	20			Do. pref.		20			
4	2			H. Smith Pap.		2			
27	18			Do. pref.		18			
21½	15	2	13.1	Humberstone S.		15½			
17½	14	1	7.1	Hunt (A)		14			
23½	18½	1		Do. (B)					
100	95	8	8.3	Huron & E. Mt	9	100	97	95	95
x29½	28			Do. 20% pd.					
[illegible]	4½			Hydro Electric	20	4½	4⅞	4⅞	4⅞
193	130	12	9.2	Imperial Bank	8	133	135	130	130
9⅞	7⅞	50c	6.1	Imperial Oil	6301	8½	8¼	7⅝	7⅞
9⅛	6	35+17½c	8	Imperial Tob.	1344	6¾	7	6⅞	7
x80	80	8		Inter. Coal. p.					
6	6			Int. Hyd. E. A.		6			
97	90	7	7.8	Inter. Mill., pf.		90			
77	77	6	7.8	Do. Series A.		77			
11	4			Inter. Nickel	10369	4½	5½	4½	5½
4	4			Inter. Paints		4			
b2½	⅛			Int. Pa & Pr A		⅞			
b1	1			Do. (B)		1			
b⅞	⅛			Do. (C)		⅛			
b11	2½			Do. pref.		2½			
11⅞	9½	1	10	Inter. Pete.	1765	10½	10½	9½	9½
x8	5			Inter. Power					
x78	56½			Do. pref.					
9⅞	2			Int. Util. (A)	50	2	2	2	2
3	¾			Do. (B)		¾			
x40	40	1		Jam. Pub. Ser.					
x109	99½	7		Do. pref.					
4	3½			Kelvinator		3½			
90	60	7	11.7	Do. pref.		60			
7	4			Lake of Woods	10	4	4	4	4
x101	82			Do. pref.					
x140	140	8		Landed Bank					
39	30	3	9.4	Laura Secord		30			
8	1½			Lindsay, C. W.	25	2	1½	1½	1½
60	37	6.50	17.5	Do. pref.		37			
10⅞	9	80c	8.2	Loblaw (A)	370	9½	9¾	9	9¾
10¼	8	80c	9.4	Do. (B)	155	8½	8½	8½	8½
‡2½	2¼			Loew's, London					
x25	19			MacKin. Steel					
x95	90	7		Do. pref.					
6½	6½			Manitoba Pr.		6½			
5	2			Maple Leaf		3			
20½	8			Do. pref.		8			
x38	30			Marcus Loew's					
60	52			Do. pref.		52			
4½	2¼			Massey-Harris	325	2¼	2⅜	2¼	2¼
10½	7	60c	7.5	McColl Fron.	287	8	8	7½	8
59	59	6	10.2	Do. pref.		59			
x45	35			Mexican L & P					
‡25	25			Mercury Mills					
‡89	58½			Do. pref.					
x40½	40			Mitchell, J. S.					
105	105	7	6.7	Do. pref.		105			
8	3			Mitchell, Robt.		3			
x1	1			Monarch Knit.					
30	23			Do. pref.		25			
75	50	6	12	Montreal Cot.		50			
x102	98	7		Do. pref.					
2½	2½			Montreal Exhib.		2½			
9⅛	7			Mont. Is. Pr.		7			
30	20½	1.50	5.9	Mont. L. & Pr.	1796	25½	27	25½	27
x49½	48	3+25		Montreal Loan					
47	40	3.20	8	Montreal Tele.		40			
150	98	10	10	Mont. Trams.	5	100	100	100	100
10	4½			Moore Corp.	25	4½	4½	4½	4½
93	65	7	10.8	Do. (A)		65			
97	72	7	9.7	Do. (B)		72			
‡10	10			Mt. Royal Hot.					
‡49	49			Do. pref.					
2	1	10c		Muirheads		1			
9	8	75c	8.3	Do. pref.		9			
24	9½	1.60	12.8	Nat. Brew.	632	12½	12¼	12¼	12¼
25¼	25	1.75	6.9	Do. pref.	20	25	25¼	25¼	25¼
‡10	3			Nat. Brick					
3	3			Do. pref.		3			
12½	6	80c	13.3	Nat. Steel Car.	450	6	7	6	6
255	245	12	4.9	National Tr.		245			
10	10			Niag. W. Weav.		10			
x36	23	3		Do. pref.					
2.50	1.75			North Star Oil		2.00			
4.00	4.00	35c	8.7	Do. pref.		4.00			
‡25	22½			N.S. Steel, pf.					
x285	125	8		Ogilvie Flour*					
105	96	7	7.3	Do. pref.		96			
9	6	40c	6.6	Ont. Eq. 10% p		6			
102	94½	6	6.3	Ontario Loan		94½			
x7	5			Ont. Silknit					
x16	13			Ont. Steel					
‡105	105	7		Do. pref.					
x1½	¾			Orange Crush					
45	18			Do. (A)		18			
x5½	1			Do (B)					
100	100	6	6	Ott. L H & P*		100			
100	90	6.50	7.2	Do. pref.		90			
x25	25			Ott. Traction					
68	35	5	13.4	Page Hersey	102	37	42	37	42
b11½	1½			Paramount	11400	1½	1⅞	1⅝	1⅞
x35	30			Paton Mfg.					
x94	92	7		Do. pref.					
.37	.25			Pelissiers		.25			
x30	25			Do. pref.					
28	20	3	15	Penmans	7	20	20	20	20
x101	93	6		Do. pref.					
19½	9	2	22.2	Photo Eng.		9			
x40	10			Port Alfred, pf					
x70	64	7		Porto Rico Pr. p					
b9	2			Postal Tele. p.					
36½	6			Power Corp.	171	6	6	6	6
90	68½	6	8.7	Do. pref.		68½			
2	2			Prairie C. Oil		2			
10	5			Pressed Metals	5	5	7	7	7
x42½	25			Price Bros.*					
x99	70			Do. pref.*					
29	9¼	1.50	14.3	Quebec Power	393	11½	11½	10½	11½
x110	105	7		Real Estate L'n					
2	½			Regent Knit.		½			
7	5½			Reliance Grain		5½			
12	7	1	14.3	River. S. Mills		7			
12	12	1.50	12.5	Robinson Cone		12			
4	1½			Rogers Majest.		1½			
150	120	12	9.2	Royal Bank	200	130	130	128	129
x84	75			Ruddy, E. L. p					
33	32½	1	3.1	Russell Motor		32½			
70	35	7	20	Do. pref.		35			
4	3			Sarnia Br. (A)		3			
1	1			Do. (B)		1			
7	3			Serv. Sta. (A)	40	3½	3	3	3
46	24			Do. pref.		25½			
33	7½	1	10.2	Shawinigan	1570	9⅞	10½	9½	10½
20	7			Sher. Wms.		7			
x121	112	7		Do. pref.					
17	5			Simon & Son		5			
80	65	7	10.7	Do. pref.		65			
55½	12			Simpson, Ltd.	30	15	12	12	12
x44½	36			Do. (A)					
x35½	24½			Do. (B)					
77	77	6	7.8	Simpson, R., p.		77			
25	10	1	8.3	So. Can. Pr.	10	12	12	12	12
90	60	6	9.7	Do. pref.	17	61½	61½	61½	61½
1.00	.50			St. Law. Corp.		.50			
4	1½			Do. (A) p.	10	1½	1½	1½	1½
12	9			St. Law. Flour		9			
80	75	7	9.3	Do. pref.		75			
11	1⅛			St. Law. Pa. p	75	7	1⅛	1⅛	1⅛
x30	4			St. Maur. V. p					
3	1½			St. Pav. & Mat.		1½			
46	25	4	14.8	Do. pref.		25			
5	4	50c		Stand. Chem.		5			
x1	1			Stanfords					
3¼	1½			Stand. Steel		1½			
x35	30	3		Do. pref.					
24	10½	1.75	14.6	Steel of Can.	305	12	12½	11½	12½
29	20	1.75	8.7	Do. pref.	47	20½	21	20	20
½	½			Sterling Coal		½			
18½	9⅞	1	7.7	Sup. Pete. ord.	25	13	13	13	13
x31	14	1		Do. com.					
98	90	7	7.8	Do. pref.		90			
42	36			Tamblyn		42			
100½	95	7	7.2	Do. pref.		96½			
18	15	3.50	23.3	Thayers, pref.		15			
7	3			Tip Top Tailors		3			
67	50	6	12	Do. pref.	5	67	50	50	50
x22	10			Tooke Bros.					
x67	48½			Do. pref.					
13	7			Tor. Elevators	25	9	7	7	7
210	160	10	6.2	Tor. Gen. Tr.		160			
92	85	6	6.5	Toronto Mtge.		92			
x3	1			Traymore					
x12½	7			Do. pref.					
120	105	7	6.7	Tuckett Tob. p		105			
5	2			Twin City		5			
b24½	7			Do. pref.					
37	23			Do. (notes)		23			
5	1¾			Union Gas	10	3½	3½	3½	3½
100	100	5	5	Union Trust		100			
x8	3			United Fuel					
15	5			Do. pref.		5			
24⅝	24⅝	2	8.1	United Secs.		24⅝			
11	5			Viau Biscuit		6			
75	60	7	11.7	Do. pref.		60			
12	5			Wabasso Cot.		5			
5½	2½			Walker-Good.	1636	4⅞	5	4⅝	5
12	9	1	10.5	Do. pref.	3020	9⅝	9½	9⅜	9⅞
3¾	1½			Waterloo Mfg.		2			
80	75	7		W. Koot. Pr. p		80			
8	5½			West. C. Flour		5½			
x96	70	6.50		Do. pref.					
11	10			West. Grocers		11			
54	43	7	15.5	Do. pref.		45			
x91	85			W. Steel Pr. p					
18½	16½	1	5.9	Weston Bisc.		16½			
70	65	7	10.4	Do. pref.		67			
10	10			Windsor Hotel		10			
38	20	3.25	16.2	Do. pref.	120	20	20	20	20
8	2			Winnipeg Elec.	210	2⅝	3½	3	3½
14	14			Do. pref.		14			
x46	36			Woods Mfg. p.					

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
§ 2% stock dividend paid June 1; 25c cash paid Mar. 1, 1932.
* Minimum price is set, below which trading is not permitted for time being. List of minimum prices is given elsewhere.

Foreign Exchange

	New York Funds High (Premium) %	Low %	Last Year High (Premium) %	Low %
June 29	14 7-16	14 1-4	5-16	7-32
June 30	14 5-8	14 1-4	3-8	5-16
July 1	......	......	....	....
July 2	14 11-16	14 1-8	25-64	11-32
July 4	14 1-4	13	25-64	11-32
July 5	13 7-8	13 1-4	21-64	5-16

STERLING, FRANCS AND LIRE
(Close Demand in New York)

	Sterling	Francs	Lire
June 29	3.60 1-4	3.92 7-8	5.08 3-4
June 30	3.60	3.92 15-16	5.08 3-4
July 1	....	....	....
July 2	3.57 3-8	3.92 7-16	5.11 1-2
July 4	....	....	....
July 5	3.54 3-4	3.92 13-16	5.11 1-8

FOREIGN EXCHANGE
(Close Demand in Toronto)

		June 21	June 28	July 5
5.26	Italian	5.91½	5.81⅞	5.83
23.80	German	27.49	27.09½	27.00
13.90	Belgian	16.10	15.92⅝	15.85
49.80	Japanese	34.87	31.15	31.60

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers—Toronto
July 5, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.60	....
Acadia Sugar pfd.	2.00	....
Acme Farmers Dairy pfd.	60.00	67.00
Agnew Surpass pf.	51.00	57.00
Allens Lond. pfd.	28.00	....
Andian Nat. Corp.	18.75	19.50
B.C. Pulp & Paper com.	....	2.25
B.C. Pulp & Paper 7% pfd.	....	9.50
Can. & Dom. Sugar com.	15.00	16.00
Can. Mach. c.	2.00	5.50
Can. Mach. 7% pf.	20.00	25.00
Can. Packers c.	7.00	8.50
Can. Packers 7% pfd.	48.00	51.00
Can. Starch pfd.	63.00	67.00
Can. Tea pfd.	....	53.00
Can. Wire & Cable pfd. w.w.	69.50	71.50
Can. Celanese pf.	41.00	44.75
Can. Industries c. "A"	43.00	46.00
Can. Industries c. "B"	42.25	44.00
Can. Industries 7% pfd.	97.50	98.75
Can. Westing.	32.75	34.00
Chase, A. W. Units	28.00	30.50
Claude Neon Gen. Adv. c.	2.50	3.00
Claude Neon Gen. Adv. Units	19.50	24.50
Crescent Creameries pfd.	55.00	61.00
Dodge Mfg. "B" com.	1.00	....
Dodge Mfg. "A" pfd.	5.25	....
Dom. Foundries & Steel c.	5.00	6.75
Dom. Foundries & Steel pfd.	64.00	....
Dom. Mfrs. pfd.	65.00	69.50
Dom. Tar pfd.	....	29.50
Dunlop Tire 7% pfd.	38.00	40.00
Eastern Car 6% pfd.	36.00	....
Eastern Dairies Ltd. pfd.	60.00	66.50
Federal Grain pf.	19.50	22.00
Goderich Elevator & Transit	12.00	12.75
Greening Wire 7% pfd.	65.00	75.00
Guard. Realty pfd.	....	30.00
Guelph Carpet c.	4.00	5.00
Guelph Carpet pfd.	69.50	74.50
Inter City Bak. c.	40.50	43.50
Inter. Proprietaries "A"	18.75	20.00
Langleys pfd.	....	50.00
Loew's London c.	.50	1.00
Loew's London pf.	3.00	3.75
Massey Harris pf.	8.00	9.25
Morrow Screw Nut 7% pfd.	92.00	98.00
Mount Royal Hotel com.	.50	1.00
Mount Royal Hotel 6% pfd.	4.75	8.00
Nat. Grocers c.	1.00	1.50
Nat. Grocers 2nd pfd.	....	25.50
Price Bros. c.	4.00	....
Prov. Paper pfd.	26.00	31.00
Reliance Grain pf.	44.50	49.00
Rolland Paper pfd. W.W.	26.00	30.00
Standard Clay Products c.	17.00	23.00
Standard Fuel pfd. bonus	50.00	52.50
Supertest Petroleum "B" pfd.	16.00	20.00
Toronto Brick pf.	....	36.00
Toronto Carpet c.	....	96.00
Toronto Carpet 8% pfd.	75.00	90.00
Toronto Elevators 7% pfd.	65.00	70.00
Toronto Housing c.	20.00	30.00
Un. Amuse. "A"	15.00	18.50
Western Grain pfd. bonus c.	10.00	14.50
Willards Choc. pf.	....	24.50

Insurance Stocks:	Bid	Asked
Canada Life Ass.	....	400.00
Canada Nat. Fire	13.75	15.75
Can. Fire Ins.	67.50	74.00
Capital Life 20% pd.	10.00	16.00
Confederation Life 20% pd.	130.00	149.00
Continental Life 20% pd.	49.50	55.00
Crown Life Ins.	90.00	....
Dom. Fire	85.50	95.00
Dom. Life 50% pd.	270.00	300.00
Dom. of Can. Gen. Ins.	....	145.00
Excelsior Life 30% pd.	74.00	80.00
Fidelity Ins. of Canada	....	70.50
Gt. West Life	180.00	205.00
Guarantee Co. of N. A.	215.00	270.00
Halifax Fire	6.50	7.75
Imperial Life	270.00	300.00
Mfrs. Life	....	245.00
Monarch Life 10% pd.	17.00	20.50
Nat. Life 25% pd.	....	84.00
Saskatchewan Life 10% pd.	....	16.00
Sovereign Life 25% pd.	14.50	19.00
Sun Life Assur.	160.00	170.00
Western Assur. c.	14.50	18.00
Western Life 20% pd.	7.50	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	140.00	170.00
Can. Gen. Investments Ltd.	1.75	2.50
Chartered Trust	65.00	72.00
Deb. & Sec. c.	....	25.00
Deb. & Sec. pfd.	....	38.00
Eastern Can. Sav. & Loan	105.00	120.00
Eastern Trust	125.00	150.00
Guelph & Ont. Inv. par $50	45.00	51.00
Investment Foundation Units	18.00	20.00
Lambton Loan & Savings	55.00	65.00
London & Western Trust	85.00	90.50
Midland Loan & Savings	16.00	....
Mtg. Disc. pfd.	2.00	3.00
Mutual Fin. pfd.	....	3.00
Mutual Fin. c.	....	3.00
Northern Trust	....	23.00
Premier Trust	80.00	85.00
Provincial Bank	93.00	100.00
Security Loan & Savings	90.00	106.00
Sherbrooke Trust	95.00	111.00
Sterling Trust	60.00	67.00
Traders Fin. c.	....	1.00
Traders Fin. pfd.	10.00	20.00
Trusts & Guar.	40.00	47.00
Victoria Trust & Savings	170.00	....
Waterloo Trust & Savings	110.00	110.50
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	80.00	82.50
Calgary Pwr. pfd.	51.50	53.50
Can. Light & Pwr. com.	13.00	18.00
Can. West. Nat. Gas LH&P c.	18.00	23.00
Can. West. Nat. Gas LH&P pfd.	55.00	58.00
Great Lakes Pwr. pfd.	....	67.00
N.B. Pwr. 1st pfd.	....	50.00
N.B. Telephone c.	5.00	8.00
N.S. L&P pfd.	50.00	60.00
Recent London Quotations:		
Brewer Distillers		2s. 3d.
Can. & For. Sec.		3s. 9d.
Can. West. Lumber		9d.
Hudson's Bay		13s. 9d.
Do., 5%		55s.
Internat. Holdings		8½
Nld. Pr. & Pap. deb. stock "B"		80
Trust & Loan of Can.		1s. 9d.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited
Canada Permanent Bldg., Toronto, Ontario
July 4, 1932

Provinces:	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
*Newfoundland	5	31 Dec., 1952	31 Dec.	55.00	10.30
*Newfoundland	5½	1 July, 1939	1 Jan.	65.00	13.35
*Newfoundland	6½	30 June, 1936	30 Dec.	70.00	17.00
*Alberta	4½	1 Oct., 1958	1 Oct.	78.00	6.20
Alberta	5	1 July, 1943	1 Jan.	89.10	6.35
Alberta	6	1 Mar., 1947	1 Sept.	94.50	6.55
*British Columbia	4½	1 Oct., 1953	1 Oct.	82.00	6.00
*British Columbia	5	15 Jan., 1948	15 July	89.80	6.00
British Columbia	6	15 Feb., 1947	15 Aug.	95.75	6.45
Manitoba	4	1 July, 1947	1 Jan.	77.50	6.35
*Manitoba	5	2 Dec., 1959	2 Dec.	85.00	6.15
Manitoba	6	1 Apr., 1947	1 Oct.	95.25	6.50
*New Brunswick	4	1 June, 1948	1 Dec.	84.65	5.50
*New Brunswick	4½	15 June, 1936	15 Dec.	97.05	5.50
New Brunswick	5½	1 May, 1950	1 Nov.	95.60	5.90
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	89.25	5.50
Nova Scotia	5	1 May, 1943	1 Nov.	93.95	5.80
*Ontario	4½	1 Sep., 1944	1 Sept.	93.00	5.25
Ontario	5	15 Oct., 1948	15 Oct.	94.00	5.55
Ontario	5½	1 Feb., 1947	1 Aug.	98.25	5.65
P. E. I.	4	1 Apr., 1939	1 Oct.	88.70	6.00
P. E. I.	6	1 May, 1947	1 Nov.	100.00	6.00
*Quebec	4½	1 May, 1961	1 Nov.	94.00	4.62
Saskatchewan	4½	1 Oct., 1944	1 Oct.	80.50	6.85
Saskatchewan	5	1 Oct., 1950	1 Oct.	84.00	6.50
Saskatchewan	6	15 Mar., 1952	15 Sept.	93.00	6.65
Cities					
*Montreal	5	1 Sep., 1963	1 Sept.	91.27	5.60
*Toronto	4½	1 Jan., 1955	1 Dec.	85.85	5.60
*Vancouver	5	15 Jan., 1970	15 July	81.00	6.30
Winnipeg	5	1 Mar., 1944	1 Sept.	85.75	6.75
*Edmonton	5½	1 Apr., 1947	1 Oct.	84.15	7.25
Calgary	5	1 Jan., 1943	1 Jan.	83.15	7.25
Halifax	6	1 July, 1951	1 Jan.	100.00	6.00
Saint John	5	15 Dec., 1950	15 Dec.	88.75	6.00
Regina	4½	1 July, 1950	1 Jan.	72.25	7.25
Victoria	5	21 July, 1945	21 July	84.65	6.75
Quebec	5	1 June, 1948	1 Dec.	91.25	5.85

*New York payment.

Listed Bond Quotations

Week Ending July 4,

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Low
Abitibi, 1st mtge.	5	1953	...	18	21½	19½	46	19½
Asbestos	5	1942	...	...	...	...	65½	49
Asbestos, 1st mtge.	6	1941	...	...	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	†6½	...	...	7	6
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S. S. deb.	5	1943	...	...	...	...	‡98½	...
Cedars Rapids	5	1953	5.23	†100	97	...	100	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dom. Coal	5	1940	...	†98¾	...	...	*98½	98
McNish	6	1948	...	†1.25	...	...	1.25	...
Mex. L. & Pr.	5	1940	...	...	...	...	*73½	70½
Mont. L.H.&P. debs.	3	1939	...	...	35½	...	40½	35
Mont. Tr. 1st mtge.	5	1941	6.32	89	...	...	93½	91
Mont. Tr. "A"	5	1955	7.89	70	69½	...	80½	69½
Mont. Tr. G. & R. "B"	5	1955	7.45	...	...	...	79½	78¾
Do., "C"	4½	1955	...	...	...	...	*85	84
Do., "D"	5	1955	6.62	...	...	...	81	78
N. S. Steel	5	1959	...	†44	...	...	*62½	59
Ont. Steel	6	1943	5.94	...	...	...	100½	...
Porto R. Pr.	5	1936	...	90	...	...	*93	88
Steel of Can.	6	1940	5.92	100½	100½	...	102½	100½
Wayagamack	6	1951	...	†41	...	...	*75	45
Winn. Elec.	5	1935	...	†85	...	...	*99½	98¾
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Can.	6	1940	5.60	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	3.25	106.75	....	....	107.00	105.00
Victory Loan	5½	1933	4.85	100.70	....	....	101.25	100.25
Do.	5½	1934	5.36	100.20	100.25	100.20	100.85	99.25
Do.	5½	1937	4.35	105.00	105.10	....	108.15	104.00
Do., refund	4½	1940	5.55	92.25	....	....	94.60	91.50
Do., refund	5	1943	5.82	96.75	....	....	98.25	95.38
Do., refund	4½	1944	5.47	90.75	91.50	....	92.25	89.50
Do., refund	4½	1946	5.34	90.25	....	....	92.25	91.75
Do., renewal	5½	1932	3.02	100.60	....	....	100.60	100.25
Conversion Loan	4½	1956	5.25	88.00	....	....	91.25	88.25
Do.	4½	1957	5.39	88.00	....	....	90.50	88.00
Do.	4½	1958	5.28	89.10	....	....	92.75	88.50
Do.	4½	1959	5.21	89.35	89.88	....	92.25	89.00
Nat. Service Loan	5	1936	5.56	97.50	....	....	98.50	96.25
Do.	5	1941	5.49	96.85	96.50	....	98.25	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Winnipeg Stock Exchange

June 29, 1932

	Bid	Ask
Beaver Fire	..	115
Beaver Lumb. pfd.	..	80
Can. Amer. Tr. shs.	..	2⅛
City Dairy (Wpg.) pref. 7%	..	50
Do., pref. 8%	..	80
Corp. Steel c.	..	5
Cres.-Cream. pfd.	55	..
Home Inv. & Sav.	..	15
N. Can. Mtge. pfd.	..	15
North. Trust	..	24
Un. Gr. Growers	10½	..
Reliance Gr. pf.	..	50
West. Breweries	1	2
Fund. Tr. shs. "A"	..	2¼
Do., "B"	..	2½
Grouped Inc. Shs.	..	2.35

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
July 5, 1932

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	18.50	20.50
Acadia Sugar 6% 1946	69.50	72.50
Alta. Pac. Grain 6% 1946	61.00	66.00
American Sales Book 6% 1939	101.00	105.00
B. A. Oil 5% 1945	82.00	86.00
Brandram-Henderson 6% 1939	....	55.00
Canada Biscuit 6½% 1946	17.00	21.00
Canada Bread 6% 1941	....	86.00
Canada Cement 5½% 1947	65.00	69.00
Can. Machinery 6% 1941	50.00	....
Can. Steamship 6% 1941	14.50	18.50
Can. Consolidated Rubber 6/46	45.00	55.00
Can. Copper Refin. 6% 1945	86.00	89.00
Can. Vickers 6% 1947	59.50	62.50
Cosmos Imp. Mills 6½% 1944	83.00	88.00
Davies, Wm., 6% 1942	74.00	76.50
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	....	57.00
Famous Players 6½% 1948	....	55.00
Firestone Tire 7% 1937	108.00	....
Goodyear Cotton 6% 1949	90.00	95.00
Great Lakes Paper 6% 1950	10.50	13.00
Harris Abattoir 6% 1947	77.00	84.00
Howard Smith 5½% 1953	43.50	46.50
Inter City Baking 5½% 1948	63.00	68.00
Loew's Toronto 6% (Serial)	96.00	101.00
Massey Harris 5% 1947	56.00	59.00
McKinnon Industries 6½% 1945	90.00	95.00
Montreal Coke & Mfg. 5½% 1947	85.00	89.00
Nor. Mexico Power 7% 1933	78.00	....
Ont. Steel Products 6% 1943	89.00	92.00
Penmans Ltd. 5½% 1951	80.00	85.00
Richmond Bay 6½% 1947	58.00	63.00
Rowntree Co. Ltd. 6% 1937	95.00	100.00
Simpsons Ltd. 5½% 1949	50.00	56.00
Simpsons Ltd., 6% 1949	57.00	61.00
Standard Clay Prod. 6% 1942	72.00	....
Sterling Coal 6% 1940	28.00	35.00
United Grain Growers 5/48	67.00	69.00
Western Grain 6% 1949	57.50	60.50
Public Utility Bonds:		
Bell Telephone 5% 1955	96.00	99.75
Bell Telephone 5% 1957	95.00	99.50
B. C. Power 5% 1960	66.00	70.00
B. C. Power 5½% 1960	71.50	74.50
B. C. Telephone 5% 1960	80.50	83.50
Calgary Power 5% 1960	66.00	70.00
Can. Northern Pwr. 5% 1953	62.00	64.50
Cedar Rapids 5% 1953	94.00	99.00
Elect. Develop. 5% 1933	108.50	....
French Natl. Mail SS 6/52	116.00	120.00
Gatineau Pwr. 5% 1956	61.00	65.00
Gatineau Pwr. 6% 1941 Apr. 1	45.50	49.50
Inter. Power 6½% 1957	32.50	35.50
Maclaren Quebec 5½% 1961	56.50	59.50
Montreal Isl. Pwr. 5½% 1957	75.00	80.00
Montreal LH&P 5% 1951	95.00	99.50
Montreal LH&P 5% 1970	94.00	98.50
Montreal Tram. 5% 1941 July	88.00	91.00
Montreal Tram. 5% 1955	68.50	71.50
Ont. Pwr. Service 5½% 1950	32.00	36.00
Ottawa Valley Pwr. 5½% 1970	78.00	81.00
Rio Tramways 5% 1935	76.50	78.50
Southern Can. Pwr. 5% 1955	79.00	84.00
West Kootenay Pwr. 5% 1956	65.00	69.50
Western Power 5½% 1949	79.00	84.00
Government Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	87.25	88.75
C. N. R. 4½% 1957 Dom. Gtd.	86.50	88.00
C. N. R. 5% 1969 Dom. Gtd.	94.50	95.75
C. P. R. 5% 1954	73.00	
Dom. of Can. 5% 1936	97.50	98.50
Dom. of Can. 5% 1941	96.50	97.50
Ont. Hydro 5% 1939 Ont. Gtd.	93.00	95.00
Prov. of N. S. 5% 1959	93.50	95.00
Prov. on Ontario 5% 1948	93.00	94.25
Prov. of Ontario 5½% 1947	97.25	98.25

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Ajax Oil	12c	3c	July 15	June 30
Acme Farmers Dairy pfd.	7%	3½%	Aug. 10	July 30
Alta. Wood Pres. pfd.	7%	1¾%	July 2	June 20
Beatty Bros. 2nd pfd.	$7	$3.50	July 1	June 30
Beatty Bros. 1st pfd.	$6	$1.50	Aug. 1	July 15
Bordens	$2	50c	Sept. 1	Aug. 15
Brantford Cordage 1st pfd.	$2	50c	July 15	June 20
Brazilian Tr., ord.	..	2% stk.	Sept. 1	July [illegible]
Bell Telephone	7%	1¾%	July 15	June 23
B.C. Power (A)	$2	50c	July 15	June [illegible]
B.C. Elec. Rly. pref.	5%	2½%	July 15	July 5
B.C. Telephone 2nd pfd.	6%	1½%	Aug. 1	July 15
Can. Northern Pr.	80c	20c	July 25	June 30
Do., pref. 7%	7%	1¾%	July 15	June 30
Canadian Car c.	60c	15c	Aug. 30	Aug. 15
Canada Bud	$1	25c	July 15	June 30
Can. Converters	$2	50c	Aug. 15	July 31
Can. Fairbanks pfd.	6%	1½%	July 15	June 30
Can. Southern Rly. c.	$3	$1.50	Aug. 1	July 1
Can. L. & Power	$1	50c	July 15	June 30
Canada Dry	$1.20	30c	July 15	July 1
Can. Bronze	$1.25	31¼c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Can. Industries, pfd.	$7	$1.75	July 15	June 30
Do., com., "A" & "B"	$2.50	62½c	July 30	June 30
Do., extra	..	50c	July 30	June 30
Can. Wineries,	20c	5c	July 15	June 30
Crescent Creamery pfd.	7%	1¾%	July 15	June 30
Can. Public Service pfd.	6½%	1⅝%	July 1	June 20
Dominion Textile, pref.	7%	1¾%	July 15	June 30
Dome Mines	$1	25c+20c	July 20	June 30
Eastern Dairies pfd.	7%	1¾%	July 15	June 30
Do., com.	$1	25c	Aug. 1	June 30
Eastern Theatres pfd.	7%	3½%	July 30	June 30
Guar. of N. America	$6	$1.50	July 15	June 30
Do., extra	$10	$2.50	July 15	June 30
Gordon & Belyea pfd.	...	75c	July 1	June 27
Hamilton Bridge pfd.	6½%	1⅝%	Aug. 1	July 15
Hollinger Gold Mines	65c	5+5c	July 14	June 30
Howe Sound	40c	10c	July 15	June 30
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 2
Inter. Hydro-Elec. pfd.	$3.50	87½c	July 15	June 27
Invest. Foundation, pfd.	$3	38c	July 15	June 30
Inter. Utilities, pfd.	$1.75	43¾c	July 15	July 5
Do., pfd.	$3.50	87½c	Aug. 1	July 15
Do., pfd.	$7	$1.75	Aug. 1	July 15
Imperial Bank	12%	3%	Aug. 1	June 30
Industrial Mtge.	$8	$2	July 2	June 15
McColl Frontenac pfd.	$6	$1.50	July 15	June 30
Monarch Mtge. & Inv. pfd.	...	10c	July 15	June 30
Montreal Telegraph	$3.20	80c	July 15	June 21
Montreal L. H. & Pr.	$1.50	38c	July 31	June 30
Midland & Pac. Grain 1st pfd.	7%	1¾%	July 1	June 24
Montreal Tramways	10%	2½%	July 15	July 7
National Biscuit	$2.80	70c	July 15	June 17
Northern Ont. Power	$2	50c	July 25	June 30
Do., pref.,	6%	1½%	July 25	June 30
N. B. Telephone, c.	60c	15c	July 15	June 30
Penmans	$3	75c	Aug. 15	Aug. 5
Do., pref.	6%	1½%	Aug. 1	July 21
Power Corp., pfd.	$6	$1.50	July 15	June 30
Do., 2nd pfd.	$3	75c	July 15	June 30
Russell Motor Car	$1	25c	Aug. 1	July 15
Do., pref.	7%	1¾%	Aug. 1	July 15
Second Std. Royalties pfd.	12%	1%	Aug. 1	July 15
Siscoe Gold Mines	...	4c	July 30	July 15
Southern Can. Power pfd.	6%	1½%	July 15	June 20
Do., com.	$1	25c	Aug. 15	July 30
Silverwood's Dairies, pfd.	7%	1¾%	July 30	June 30
Steel of Canada	$1.75	43¾c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Teck Hughes	60c	15c	Aug. 1	July 15
Tuckett Tobacco, pref.	7%	1¾%	July 15	June 30
United Securities	$2	50c	July 15	June 30
United Bond & Share c.	80c	20c	July 15	June 30
Waterloo Trust & Sav.	$7	$3.50	July 2	June 20
Western Grocers pfd.	7%	1¾%	July 15	June 20

Dividends Passed or Deferred:

Debenture Co. of Can. c. July 31, passed. Last paid $3 July 31, 1931.

Inter-Hydro Electric "A" com. July 15, passed. Last paid 50c. April 15, 1932.

Dominion Tar, pfd. Aug. 1 passed. Last paid 1¾% May 1, 1932.

Power Corp., com. Aug. 20, passed. Last paid 50c. May 20, 1932.

Service Stations, pref. and "A" pref. Aug. 1, passed. Last paid 75c. May 2, 1932.

Dufferin Paving pref. July 1, deferred. Last paid 1¾% Apr. 1.

English Electric "A" July 15 passed. Last paid 75c. Apr. 15, 1932.

Dividend Rate Reduced:

Bell Telephone 1¾%, July 15. Reduced from 8% to 7% per annum.

Bordens, c. 50c. Sept. 1. Reduced from $3 to $2 per annum.

Monarch Mtge. & Invest. pfd. 10c. July 15. Reduced from 12½c.

Howe Sound, 10c. July 15. Reduced from $1 to 40c. per annum.

Russell Motor, com. 25c. Aug. 1. Reduced from $2 to $1 per annum.

Extra Dividends:

Dome Mines, 20c., July 20.

Hollinger Gold Mines 5c. July 14.

Can. Industries, com. 50c. July 30.

Guarantee of N. America, $2.50 July 15.

Winnipeg Grain Prices

Week to July 5

Crop Year from Aug. 14 High	Low		Open June 29	High for week	Low for week	Close July 5
		Wheat				
.77⅞	.53	July	.54⅛	.54½	.53⅛	.53⅛
.72¾	.55½	Oct.	.57	.57⅛	.55¾	.56
.66⅞	.56⅝	Dec.	.58½	.58⅝	.57⅛	.57½
		Oats				
.37½	.30⅛	July	.33¾	.34½	.33¼	.33⅞
.35⅛	.28	Oct.	.28⅞	.28⅝	.28	.28⅞
.27⅞	.26⅝	Dec.	.26⅞	.27⅛	.26½	.26⅝
		Barley				
.45¼	.35¼	July	.38½	.38¾	.35½	.35½
.43¼	.32	Oct.	.33⅞	.33¼	.32¾	.32⅞
.35¼	.32⅞	Dec.	.33⅛	.33¼	.32⅞	.33⅛
		Flax				
1.16¼	.63⅝	July	.69	.69⅞	.63½	.65¼
1.09¾	.66½	Oct.	.72¾	.73½	.66½	.69½
.78½	.70	Dec.	.75¼	.75½	.70	.71⅝
		Rye				
.59	.31½	July	.33	.33¼	.31½	.31½
.55⅝	.33⅞	Oct.	.35	.35	.33⅞	.33⅞
.37⅞	.34½	Dec.	.36½	.36½	.34½	.34½

Canadian Bonded Grain in U. S.

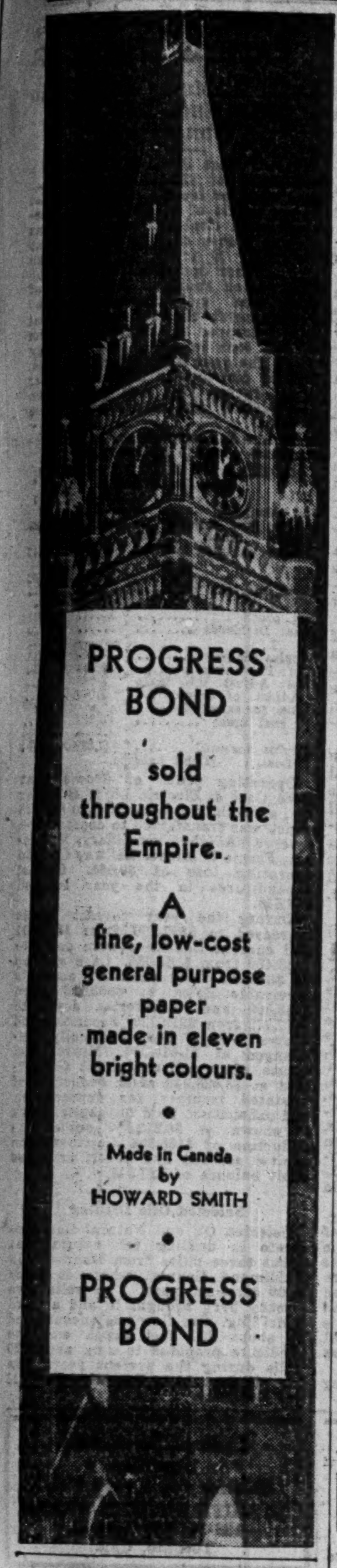
Quotations on New York Produce Exchange, Basis Buffalo
Week to July 5

High *to date	Low		Close June 28	High for week	Low for week	Close July 5
		Wheat				
.66½	.48½	July	.49	.48½	.48	.48
.66¾	.51	Oct.	.52	.51½	.51	.51

*Since trading opened March 3, 1931.

Stocks With Minimum Prices

Ogilvie Milling c.	185
Ottawa L. H. & Pr. c.	100
Price Bros.	25
Do., pref.	70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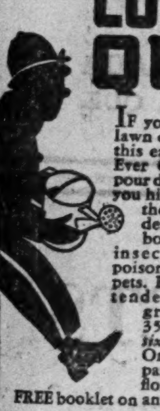
Ontario Gold Output Loans

Gold production in Ontario during May set a new high mark in value. Increased production was reported to the Ontario Department of Mines from all producing areas, with the Porcupine area registering the most notable advance. The output totalled 469,622 tons, valued at $4,079,320. The previous month's output, 447,590 tons, was valued at $3,813,989. In May, 1931, the valuation was $3,346,147 from 419,368 tons.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SULLIVAN MINES IS PUSHING WORK IN ABITIBI COUNTY

Promising Results Reported From Property Next Siscoe Gold's

Work at the property of Sullivan Consolidated Mines, consisting of 890 acres in Dubuisson township, Abitibi county, P.Q., adjoining the property of Siscoe Gold Mines, is being actively pushed forward. An oil-driven compressor plant is being installed, an electric pumping plant has been purchased, and within a few weeks drifting will be in progress at the 250-ft. level on the "A" vein. It is stated that some other promising veins will also be investigated.

During 1929 a shaft was sunk to a depth of 273 ft., about 1,000 ft. of lateral work was done and about 10,000 ft. of diamond drilling was carried on from the surface and the 250-ft. level. One important vein carrying commercial values was shown by this work and considerable tonnage of gold ore was indicated. In recent diamond drilling of a promising area in the south end of the property encouraging results are stated to have been obtained.

As there is apparently considerable confusion and misunderstanding with respect to the stock of Sullivan Consolidated Mines, Ltd., and Sullivan Gold Mines, Ltd., the company has prepared a memorandum for The Financial Post which reads as follows:

Ventures Buys Shares

"Sullivan Gold Mines, Ltd., with an authorized capital of 3,000,000 shares—par value $1.00—has sold its property to a new company, Sullivan Consolidated Mines, Ltd., for the entire capital stock of the latter company consisting of 4,000,000 shares of par value $1.00.

"Of the 4,000,000 shares received by Sullivan Gold Mines 2,000,000 shares have been deposited with the Eastern Trust Co. for the benefit of the new company and 2,000,000 shares retained for eventual distribution to its shareholders.

"The company's property consists of 890 acres in Dubuisson township, Abitibi county, Que., and adjoins the property of Siscoe Gold Mines.

"For the purpose of financing the operations an agreement was entered into whereby Ventures and its associates have purchased outright 300,000 shares of Sullivan Consolidated Mines and have an option on the remaining 1,700,000 shares deposited with the Eastern Trust Co. The other 2,000,000 shares are held in trust for the period of the option to be delivered, upon expiration thereof, to the shareholders of Sullivan Gold Mines, and as there are approximately 2,300,000 shares of the latter company outstanding, the basis of exchange will probably be five shares Sullivan Consolidated Mines for six shares Sullivan Gold Mines.

Tailings

Clericy Mines, exploring two groups of claims in the Pascalis district of Quebec, reports good results from the south group, located in the vicinity of the Treadwell-Yukon holdings. Several veins carrying high-grade ore were located under earlier exploration and it is the intention to diamond drill to determine values at depth. The north group, west of the Noranda option, consisting of about 600 acres, also will be explored, both on surface and by means of diamond drilling.

* * *

Shawkey Gold Mines, Ltd., recently formed with a capital stock of 1,000,000 no par value shares to open up and develop the old Martin mine, a short distance south of Siscoe Gold Mines in Quebec, has the old work as a real asset in exploration. A shaft was put down to a depth of 325 feet, with levels established at 125 and 325 feet. On the first horizon about 250 feet of drifting was carried out and on the bottom level 30 feet of crosscutting. Good values were found in two veins on surface, but little progress was made underground.

* * *

Recent work in Galatea Gold Mines Syndicate property east of the Beattie in Duparquet Township, Quebec, indicates that the mineral zone persists practically from one end of the property to the other. Most of the mineralization uncovered is of low grade but some sections returned assays of $7 to $12 per ton in gold.

* * *

Malartic Gold Mines, Ltd., which suspended development in 1929 after a rather extensive programme of surface work and diamond drilling had been carried out on its property in Northwestern Quebec may re-open. Shareholders will be called together at an early date to hear plans of directors. The proposed programme calls for more extensive work in the low-grade area and also for a more thorough test of the high-grade zone indicated by drilling.

* * *

Reno Gold Mines, operating in the Sheep Creek area near Salmo, British Columbia, is putting through a raise from the high-grade on the 5 level to No. 4 tunnel. Values in Reno's high-grade zone are said to run from $10 to $200 per ton in gold. Officials state that when Reno is ready to resume production there will be sufficient ore available to maintain its 100 tons mill at capacity for several months.

* * *

Mr. Justice A. A. MacGillivray on July 2 dismissed application for a stay of execution, sought by Spooner Oils, Ltd., against the Turner Valley Gas Conservation Board. The oil company applied for a stay of execution to be effective pending the outcome of its appeal against an Alberta Supreme Court ruling dismissing its application for a permanent injunction against the board.

Spooner Oils is appealing the Supreme Court's ruling in an effort to restrain the board from conserving gas in Turner Valley on the grounds it threatens the company's existence.

* * *

Lode prospecting in British Columbia is in full swing, judging by the many samples being received at the office of the Provincial Assayer. Earlier in the spring black sand predominated but this month brought in a large number of hard rock sacks.

* * *

Now that the fire danger has gone for a while at least, reports from Amos, Que., indicate that prospecting is being resumed on a large scale. Two new rich gold finds were reported during June, one in Bousquet township, not far from the Cadillac O'Brien property, and the other in Fiedmont township, near the Venus Gold Mine. The two townships are a considerable distance apart, but free gold was discovered in a larger quantity than is usually the case in both places.

* * *

The Summary Report, 1931, Part C, issued by the Department of Mines, Ottawa, presents in detail the geological structure and other interesting information of the northern section of Canada lying to the west of Hudson Bay, complete with maps and photographs of the newer mining sections of the Dominion and particularly of the Great Bear Lake and Rankin Inlet districts.

Since Dr. D. F. Kidd made his inspection of the district many new developments have taken place and the mineral areas then under development have since been followed for greater distances. Recent reports from the field claim much richer finds in silver, radium and other minerals than were believed to exist a year ago.

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Canada Keeps Place World's Second Largest Gold Producer

Canadian gold production in 1931, amounting to 2,693,892 fine ounces valued at $55,687,688, not only makes a new high record in the gold mining industry of the Dominion but for the second consecutive year puts Canada in the position of the second largest gold producing country in the world. Gold is now Canada's most valuable mineral output even surpassing coal which retained the premier position for so many years, says a report. The 1930 production of $2,102,068 fine ounces had a value of $43,453,601, according to Dominion Bureau of Statistics.

Canadian auriferous quartz mines producing and shipping bullion in Canada received $1,894,049 in premium payments during 1931.

British Empire countries supplied about five-sevenths of the world's gold in 1931, or in round figures, 15,000,000 fine ounces out of 21,000,000. Of that amount British South Africa alone produced 10,877,777 fine ounces.

British Africa, including Rhodesia and West Africa, produced more than one-half of the world's total supply. The world ranking countries were: British South Africa, Canada, United States, Russia and Siberia, Mexico, Australia, Rhodesia, Japan, India, British West Africa, Belgian Congo, Philippine Islands, New Zealand, Brazil.

INTERNAT. RADIUM IS TO START WORK ON SANITARIUM

Directors Expect Successful Process Soon in Wilberforce Mill

Considerable preliminary work has been done on the radio-active water at the Wilberforce mine of International Radium & Resources. Active work on the development of a small sanitarium is to proceed at once to enable the general public to avail itself of these waters.

At the annual meeting on June 21 the following directors were elected: Dr. W. P. St. Charles, W. H. Wright, R. O. Petman, J. M. Aitken, J. A. McAndrew, K.C., H. R. Johns and Stuart H. Brown. Dr. St. Charles was elected president, W. H. Wright, vice-president and Mr. Petman, secretary-treasurer. An executive committee was also appointed consisting of Messrs. St. Charles, Wright, Aitken and McAndrew.

Mill Completed in March

The mill on the Wilberforce property was completed on March 16, 1932, and milling was commenced on 200 tons of mine run ore. Prior to this the work done on the property, as summarized by the president, was briefly as follows:

(a) Tunnel extended to a point 450 feet from its mouth;

(b) Drifts were run east and west on No. 3 vein for a total distance of 100 feet;

(c) A raise to the surface was made on No. 3 vein from the East drift;

(d) Several other veins were partially opened up;

(e) A road was constructed from the Wilberforce-Bancroft main motor road to the mill site;

(f) A concrete dam was erected to ensure a water supply near the mill; and

(g) To date 475 feet of cross-cuttings on the main cross cut, 70 feet of drifting on No. 3 vein east, 250 feet No. 3 vein west and 80 feet on No. 5; 45 feet of cross-cuttings north and south from the drift on vein No. 3 west, 60 feet of slashing on veins, 300 feet of raising to the surface from the tunnel level on vein No. 3 east and west and vein No. 5 and vertically at a point 400 feet from the mouth of the tunnel and the stoping of approximately 1,200 tons from No. 3 vein west; have been accomplished. Exploration work including trenching and sinking of test pits with encouraging results has been done on veins 9, 10, 11 and on what has been known as the "Fluroite" vein near the southwest corner of the property.

Better Assays Received

Dr. St. Charles states that the method used for obtaining concentration was by concentrating tables, which failed to give a real concentrate. It was discovered that the tailings were richer in radium content than the residue obtained from the tables. Therefore, the mill was shut down and metallurgical experts are at work now in obtaining a proper separation of the uraninite from the ore.

Dr. St. Charles expects that within a short time a successful and economical process will be installed in the mill. He says it will probably be obtained through the use of magnetic separators and oil flotation. The assays made some time ago by the Dominion Government in the shipment of ore from the surface of the mine, showed a uraninite content of about one-fifth of one per cent but as a result of many assays made recently at the University of Toronto, a considerably higher percentage is stated to be assured.

HOW $6 GARDEN FEEDS ONE FAMILY

Illinois Industries Urge Employees to Have Vegetable Plots

Illinois industries which have employees on part time have organized an extensive programme of industrial gardens. J. C. Readey, associate in horticulture extension, University of Illinois, has been working for a year on the plans.

In the circular of instruction issued to industrial firms he analyzes the cost of an industrial allotment garden 45 by 100 feet as $6, this including plowing cultivation, seed, fertilizer, insecticides, two pecks of potatoes, and tomato and cabbage plants.

This garden, with 100 hours of labor distributed over six months, says Mr. Readey, will produce vegetables for a family of six throughout the summer, and 300 quarts of canned products for the winter.

While it is best for gardens to be made in the back yards of employees' homes, there are many successful projects made in large blocks of land divided into allotments It is seldom necessary to pay rent for land.

"Provide 500 to 600 square feet per person, or 3.600 square feet for a family of six, if only a summer garden is desired," Mr. Readey advises.

"To provide vegetables in season throughout the summer and fifty quarts of canned products per person for the winter, allow 1,000 to 1,200 square feet. This would require 6,500 to 7,000 square feet for a family of six. To produce these yields of vegetables, good seed, good cultivation, the use of commercial fertilizer and insecticides, and the usual rainfall will be required.

"The larger garden will require about 100 hours of labor distributed over approximately six months. The use of a wheel hoe will reduce the time required by approximately 60 per cent. Forty-five feet is a convenient width for a garden plot. This distance divides evenly into rows fifteen inches apart and is the width used by this department in making up the standard seed collections.

"In suburban and rural areas the suitability of the soil can usually be best judged by what is growing on the area or on adjoining areas. In the cities, however, further care is required. The following conditions should be avoided:

"Poor drainage.

"Areas filled with quack grass or other weeds which spread underground.

"Too much shade—five hours per day of sunlight is necessary.

"Heavy clay soils.

"The growing of vegetables requires skill and knowledge. If employees do not possess these, helpful instruction is necessary. Sometimes excellent gardeners are found among the employees. One of these may well be used to help the others, if he possesses the right personality as well. When such services are not available, instruction from outside is necessary. If this involves too much expense for a single plant, a number of plants might co-operate in securing a man skilled in vegetable growing.

"Gardeners who refuse or fail to give their gardens sufficient attention should be dispossessed. No garden should be left insufficiently attended for two weeks in succession. Every part of each garden should be cultivated once each week.

"Gardens provide a cheap effective means of stabilizing subsistence. They provide an interest and activity which tend to counteract the depression of spirit which accompanies uncertainty of employment or of business. They tend to simplicity of living, conservative thinking, and self-discipline. It is the opinion of a number of industrial firms who have conducted gardens over a period of from fifteen to thirty years that the garden programme is best thought of as a co-operative effort between employer and employee, and that instead of its being a gift from employer to employee the benefits are mutual."

ENGLISH EXECUTIVE PRAISES CANADA

Head of B. E. Trust Co. Says Dominion Will Be Among First to Recover

At the annual meeting of the British Empire Trust Co., Ltd., held in London, Eng., on June 20, the chairman and managing director, J. Davidson, had some interesting comments to make on the company's position with regard to Canada. Mr. Davidson said in part:

"As you are aware, your company has with great success for many years past specialized in Canadian investments. The trend of events has led, as stated in the annual report, to the major portion of your capital being now invested in Great Britain. This has resulted largely from exchange conditions of, I believe, a temporary character and does not mean that we have lost faith in Canada as a field for profitable investment. On the contrary, we are only awaiting a favorable opportunity to reinvest in that great Dominion, which contains tremendous potential wealth in raw materials and a virile and industrious population.

"At the present time Canada is suffering severely from the inability of her customers all over the world to take their usual supplies of the raw materials which she produces. The prices of many of her raw materials are therefore at the present time depressed even below the cost of production. This in turn has led to a heavy reduction in the demand by these producers for manufactured articles and has affected adversely her great manufacturing industries in Eastern Canada, and the earnings of her railway systems. I am satisfied, however, that sooner or later there must be a revival in demand from all parts of the world for wheat, lumber, wood pulp, paper, nickel, copper, and all the other raw products which Canada is able to produce cheaply in such large quantities. When that time arrives Canada, with its great railway systems, coupled with enormous water plants producing electricity at cheap rates, will I believe be among the first nations of the world to recover in generous measure the ground lost during the present depression."

T. E. BISSELL LOSS SHOWN AT $14,613

Liquid Position is Well Maintained But Surplus is Low

In face of a 50 per cent decline in sales, T. E. Bissell Co. had a loss on operations of $14.613 in the year ended May 31, 1932, compared with a loss of $12,480 in the preceding year. While surplus account was reduced to $1,738, working capital position was well maintained and the company will continue to introduce new lines and await improved purchasing power of the farmer which, it is expected, will result in increased orders for agricultural implements.

The income and surplus account is as follows:

Income and Surplus Account
Years Ended May 31

	1932	1931	1930
Net profit	*14,613	*12,480	30,152
Add: Loss on inventory	......	4,500	......
	14,613	*16,980	30,152
Less: Pfd. divd.	......	8,240	15,147
Com. divd. ..	......	10,165	20,248
Surplus for year	*14,613	*35,385	*5,243
Add: Prev. surp.	16,888	51,665	58,158
Former res. brot. in	......	608	......
Less:			
Addit. inc. tax	536	......	......
Organ. acct...	......	......	1,250
Bal. fwd.	1,738	16,888	51,665

*Loss.

Chief change in current assets is a drop in inventories to $111,933 from $117,732, and in accounts receivable to $41,688 from $49,384. Receivables are stated to be in good shape with less than one-third of the farm paper being past due and on this the major portion has had partial payments made on account. Cash is shown at $512 and Dominion of Canada bonds at cost remain at $51,434. Bank and accounts payable remain practically the same at $67,477.

	May 31, 1932	May 31, 1931
Current assets	$205,566	$219,476
Current liabs.	67,477	67,663
Working capital	$138,089	$151,813

Land, power rights, buildings and equipment remain at $138,875, no provision for depreciation having been made in the past year. Deferred charges amount to $6,920 and goodwill, patents and trade marks are valued at $1,731. There is no change in capital outstanding which consists of $201,800 of 7 per cent preferred stock and 10,165 shares of no par value common stock. Dividend was passed January 1. 1931, on the common and April 1, 1931, on the preferred.

P. E. I. Farm Crop Prospects

Dr. J. A. Clark, superintendent at the experimental station at Charlottetown says that prospects for all farm crops in Prince Edward Island indicate a good percentage with a few ratings above the average.

Mining Stock Quotations

Week Ending July 4.

Par Val.	Range 1932 High	Range 1932 Low	Company	Sales	Close June 27 (or last)	Close for week	Low for week	Close July 4
1	.05¼	.03	Abana..........	1,000	.04	.03	.03	.03
1	.02	.00¼	Aconda..........	......	.00¼	.....	.....	.....
No	.15	.15	Aldermac..........	......	.15	.....	.....	.....
1	.09	.00¾	Alexandria..........	52,000	.01½	.02¼	.01½	.02
1	.01½	.00¾	Algonquin..........	......	.00½	.....	.....	.....
1	.01	.00¾	Amity C..........	......	.00¾	.....	.....	.....
No	.22	.06	Amulet..........	500	.08	.08½	.07	.08½
1	.00¾	.00¼	Apex..........	......	.00¼	.....	.....	.....
1	.02¾	.01	Area..........	......	.01½	.....	.....	.....
No	.03	.00¼	Arno..........	58,500	.01½	.02	.01½	.01½
1	.02¼	.02	Astoria Rouyn..........	......	.02½	.....	.....	.....
1	.07	.03	Bagamac..........	1,000	.04½	.04	.03½	.03½
1	.00¾	.00¼	Baldwin..........	2,000	.00¼	.00¾	.00¾	.00¾
1	.12	.03½	Barry Hollinger..........	2,100	.04½	.04½	.04½	.04½
No	1.00	.30	Base Metals..........	......	.30	.....	.....	.....
No	.12	.01	Bidgood..........	10,500	.02½	.02½	.02½	.02½
1	.16½	.04	Big Missouri..........	2,200	.06½	.06½	.05½	.06½
1	.05½	.02	Bobjo..........	11,000	.03½	.04	.03	.04
1	.08	.02½	Brett Trethewey..........	......	.07	.....	.....	.....
No	.03	.00¾	Brownlee..........	5,500	.01½	.01½	.01½	.01½
1	.00¼	.00¾	Buckingham..........	1,000	.00¾	.00¾	.00¾	.00¾
No	.36	.02	Buffalo Can..........	......	.02	.....	.....	.....
No	.02¼	.01	Bunker Hill..........	1,500	.01½	.01½	.01½	.01½
5s	.50	.10	B'Wana McKubwa	......	.10	.....	.....	.....
No	.01	.00¼	Cal. Flin Flon..........	......	.01	.....	.....	.....
No	.03	.02	Canam Metals..........	......	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland..........	......	.02½	.....	.....	.....
1	.09	.00¾	Canusa..........	14,000	.02½	.04	.02½	.02½
No	.02½	.00¾	Capital Rouyn..........	......	.00¼	.....	.....	.....
1	.07	.02½	Cartier Malartic..........	......	.03½	.....	.....	.....
1	.15	.09	Castle Trethewey..........	1,500	.11½	.11	.11	.11
1	.08	.04	Cen. Manitoba..........	200	.05	.04	.04	.04
1	.07½	.02	Cen. Patricia..........	......	.04	.....	.....	.....
No	.07½	.01½	Chibougamau Pros.	1,500	.02½	.02½	.02	.02½
No	.02	.00¾	Clericy..........	10,500	.01	.01½	.01½	.01½
5	3.00	.45	Coast Copper..........	......	.60	.....	.....	.....
1	.02	.00¾	Cobalt Contact..........	4,500	.00¾	.01½	.01	.01½
No	.16	.15	Cobue..........	......	.15½	.....	.....	.....
1	.08	.03	Columario..........	1,000	.04½	.03	.03	.03
5	.80	.69	Coniagas..........	500	.70	.69	.69	.69
No	.40	.28	Coniaurum..........	500	.32	.28	.28	.28
25	75.00	25.00	Cons. Smelters..........	471	29.00	39.00	20.50	38.00
No	12.50	9.00	Dome Mines..........	3,075	11.00	11.05	10.40	10.50
No	.10	.02	Dom. Explorers..........	12,000	.03½	.04	.03	.04
1	.01	.00¼	Don Rouyn..........	......	.00¾	.....	.....	.....
1	1.55	.76	Eldorado..........	22,510	1.13	1.25	1.12	1.24
No	1.05	.47	Falconbridge..........	350	.75	.75	.50	.75
1	.04	.00¾	Federal..........	......	.00¾	.....	.....	.....
No	.00½	.00¼	Flintoba..........	......	.00¼	.....	.....	.....
No	.07	.00¼	Gem. Lake..........	......	.01	.....	.....	.....
1	.02¼	.00¾	Goldale..........	......	.01½	.....	.....	.....
10	.11	.05½	Goldfield..........	......	.07	.....	.....	.....
1	.00½	.00¼	Gold Hill..........	......	.00½	.....	.....	.....
1	.04	.03	Goodfish..........	1,000	.03	.03	.03	.03
1	.01	.00¼	Graham..........	......	.01	.....	.....	.....
1	1.25	.50	Granada..........	1,400	.65	.82	.65	.80
1	.22	.09	Grozelle..........	......	.09	.....	.....	.....
1	.02¼	.01	Harker..........	......	.01½	.....	.....	.....
1	.01½	.00¼	Hilltop..........	9,500	.00½	.00½	.00¼	.00½
5	5.70	4.25	Hollinger..........	3,625	4.80	4.95	4.70	4.95
1	.41½	.26	Howey Gold..........	19,550	.40	.42	.40	.40
No	2.78	.92	Hudson Bay..........	300	1.75	1.75	1.72	1.72
No	.20	.15	Huronian..........	......	.15	.....	.....	.....
No	11.00	4.00	Int. Nickel..........	10,360	4.75	5.50	[illegible]	5.50
1	.01½	.00¼	Jackson Manion..........	......	.00¼	.....	.....	.....
1	.23	.15	Keeley..........	......	.20	.....	.....	.....
1	.02¼	.00¼	Keora Mines..........	......	.00¼	.....	.....	.....
1	.70	.40	Kirk. Hud. Bay..........	500	.50	.50	.50	.50
1	.02½	.00¼	Kirk. Hunton..........	......	.00½	.....	.....	.....
1	.55	.19	Kirkland Lake..........	10,200	.32	.30½	.29	.30
1	.03½	.00¼	Kirkland Premier	......	.01	.....	.....	.....
1	.13	.05	Kirk. Townsite..........	1,500	.07	.06½	.06½	.06½
20c	.01½	.00¼	Koot. Florence..........	500	.00¼	.00⅛	.00⅛	.00⅛
1	.01½	.00¼	La Rose..........	......	.01½	.....	.....	.....
1	.41	.14	Lakeland..........	......	.15	.....	.....	.....
1	29.50	24.90	Lake Shore..........	1,768	26.50	28.00	26.75	28.00
1	.00½	.00¼	Laval..........	......	.00¼	.....	.....	.....
1	.06¾	.01½	Lebel Oro..........	2,000	.03	.02½	.02½	.02½
1	.41	.13	Macassa..........	12,300	.24	.23	.20	.21½
1	.07	.02½	Malartic..........	16,000	.06	.06	.04½	.05
1	.01½	.00¾	Malrobic..........	34,000	.01½	.01½	.00¾	.01
No	.06	.02	Mandy..........	......	.02½	.....	.....	.....
No	.01½	.00¼	Manitoba Basin..........	500	.00½	.00¾	.00¾	.00¾
5	19.50	14.70	McIntyre..........	2,725	17.10	17.50	17.00	17.50
1	.35	.25	McKinley..........	......	.30	.....	.....	.....
No	.09½	.02½	McLeod River..........	39,000	.02¾	.02½	.02½	.02½
No	1.43	.58	Mining Corp..........	4,640	.90	1.10	.85	1.10
1	.08½	.01½	Moffatt Hall..........	8,000	.01½	.01½	.01½	.01½
1	.02¾	.02½	Moneta..........	......	.02½	.....	.....	.....
1	.45	.19½	Moss..........	8,000	.25½	.30½	.24½	.28
1	.02½	.00¾	Murphy..........	2,000	.00½	.00½	.00¾	.00½
No	.03	.01	Newbec..........	2,500	.01½	.01½	.01	.01
5	1.15	.50	Nipissing..........	2,600	.65	.65	.62	.65
No	19.80	12.50	Noranda..........	3,279	13.50	14.25	13.40	14.25
No	.24	.10	Nor. Canada..........	4,000	.15	.12	.11	.11
No	.01	.00¼	Old Colony..........	......	.00¼	.....	.....	.....
1	.08	.05	Osisko..........	......	.05	.....	.....	.....
1	.10	.07	Parkhill..........	......	.07½	.....	.....	.....
1	.13½	.11	Patricia Dent..........	......	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk..........	......	.01	.....	.....	.....
No	1.15	.35	Pend Oreille..........	210	.50	.45	.45	.45
1	.01½	.00½	Peterson Cobalt..........	......	.00¼	.....	.....	.....
1	4.10	3.00	Pioneer Gold B.C.	250	3.30	3.35	3.35	3.35
1	.00¾	.00¼	Porcupine Crown..........	......	.00¾	.....	.....	.....
1	.02	.00¼	Potter Doal..........	......	.00¾	.....	.....	.....
1	.62	.32	Premier Gold..........	1,700	.42	.43	.41½	.43
1	.00⅞	.00¼	Preston E. Dome..........	......	.00¼	.....	.....	.....
No	.30	.15	Prospectors Air's..........	......	.21	.....	.....	.....
No	1.00	1.00	Quebec Pros..........	......	1.00	.....	.....	.....
No	.06	.03	Quemont..........	1,000	.05	.04	.04	.04
1	.02½	.00¼	Ribago..........	500	.00¾	.00¾	.00¾	.00¾
1	.02½	.01	Ritchie..........	9,500	.01½	.01½	.01½	.01½
1	.01½	.00¼	Robb Montbray..........	......	.00¾	.....	.....	.....
1	.42	.25	San Antonio..........	1,466	.40	.40	.40	.40
1	.09	.07½	Seven Troughs..........	......	.07½	.....	.....	.....
1	.65	.18	Sherritt Gordon..........	3,730	.28	.26	.24½	.25
1	.73	.50	Siscoe..........	33,850	.67½	.73	.67½	.73
1	.03	.00¼	South Keora..........	......	.00¾	.....	.....	.....
No	.02½	.00¼	Stadacona..........	45,000	.01	.01½	.01	.01
1	.17	.06	St. Anthony..........	......	.06	.....	.....	.....
No	.45	.16	Sudbury Basin..........	......	.25	.....	.....	.....
1	.01½	.00¼	Sudbury Contact..........	......	.00¼	.....	.....	.....
1	.01	.00¼	Sudbury Mines..........	......	.00¾	.....	.....	.....
1	.12	.07	Sullivan..........	3,000	.10	.10	.10	.10
1	.65	.39	Sylvanite..........	8,600	.53	.55	.54	.55
1	.07	.01	Tashota..........	74,000	.01	.02½	.01	.02½
1	5.25	3.10	Teck Hughes..........	13,035	3.70	4.05	3.70	4.01
1	.03½	.02	Thom. Cadillac..........	......	.03	.....	.....	.....
1	.40	.10	Towagmac..........	500	.15	.20	.19	.20
1	3.00	1.01	Treadwell..........	......	1.25	.....	.....	.....
1	.09½	[illegible]	United Kirkland..........	......	.05	.....	.....	.....
1	.01½	.00	Vacuum Gas..........	......	.00½	.....	.....	.....
No	.53	[illegible]	Ventures..........	2,220	.27	.30	.26	.30
1	.17½	[illegible]	Vickers..........	......	.06	.....	.....	.....
1	.45	[illegible]	Vipond..........	1,000	.26½	.27	.25	.26
No	1.00	[illegible]	Waite Ackerman..........	......	.30	.....	.....	.....
1	.07	.01	White Lake..........	......	.01½	.....	.....	.....
1	.01	.01	Wiltsey Coughlan..........	......	.01	.....	.....	.....
	.10	.04½	Wood Kirkland..........	11,750	.04½	.10	.05	.10
No	3.06	2.09	Wright-Hargreaves	11,170	2.50	2.64	2.55	2.64
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil..........	7,400	.10	.09½	.09	.09½
1	1.17	.60	Ajax..........	100	.70	.70	.70	.70
1	.12	.04½	Alta. Pacific..........	......	.05	.....	.....	.....
1	.03½	.02	Askalta..........	......	.03½	.....	.....	.....
No	.10	.03	Associated..........	......	.05	.....	.....	.....
No	.04	.01	Baltac..........	......	.02	.....	.....	.....
	.05½	.00¾	Benton..........	......	.00¾	.....	.....	.....
1	.06	.02½	Brit. Dominion..........	......	.03½	.....	.....	.....
No	.38	.14	Calgary & Ed..........	......	.15	.....	.....	.....
1	.09	.04	Calmont..........	......	.04	.....	.....	.....
1	.11	.03	Common Pete..........	3,000	.05	.05½	.05½	.05½
No	.20	.06½	Dalhousie..........	1,100	.06	.07	.07	.07
No	.01	.01	Devenish..........	......	.01	.....	.....	.....
No	.02	.00½	Dome Oil..........	......	.00½	.....	.....	.....
No	.12½	.04	East Crest..........	......	.06	.....	.....	.....
No	.01½	.01½	Fabyan Pete..........	......	.01½	.....	.....	.....
No	.10	.06	Foothills..........	......	.06	.....	.....	.....
No	.03½	.02	Freehold..........	......	.02	.....	.....	.....
1	.02	.00½	Great West..........	......	.00½	.....	.....	.....
No	.06½	.03	Hargal..........	......	.03	.....	.....	.....
No	.05	.02	High Sarcee..........	......	.02	.....	.....	.....
No	.47	.15	Home..........	......	.20	.....	.....	.....
No	.05	.01½	Homestead..........	......	.01½	.....	.....	.....
1	.50	.09	Homestead O. & G.	4,900	.14	.16	.15	
1	.01	.00½	Illinois Alberta..........	......	.00½	.....	.....	.....
No	.02½	.00¾	Lethbridge..........	......	.00¾	.....	.....	.....
No	.04	.04	Lowery..........	......	.04	.....	.....	.....
No	.02	.00¾	Madison..........	......	.00¾	.....	.....	.....
1	.15	.05½	Mayland..........	3,500	.08½	.11	.07	
No	.04	.01½	McD. Segur Ex..........	......	.01½	.....	.....	.....
1	.04½	.01	McD. Segur N..........	......	.01	.....	.....	.....
1	.50	.18	McLeod..........	......	.18	.....	.....	.....
No	.10½	.06½	Mercury..........	......	.07½	.....	.....	.....
No	.08	.04½	Merland..........	......	.06	.....	.....	.....
No	.15	.08½	Mill City Pete..........	......	.08½	.....	.....	.....
1	.20	.12½	Model..........	......	.13	.....	.....	.....
1	.05	.04	Monalta..........	......	.05	.....	.....	.....
1	.07	.03	Moose Mountain..........	......	.03	.....	.....	.....
1	.01	.01	New Federal..........	......	.01	.....	.....	.....
5	.14	.01	Nordon..........	1,000	.04	.03½	.03	.03
No	.04½	.02	Oil Selection..........	5,000	.02½	.02½	.02½	.02½
No	.05	.02½	Okalta..........	......	.03	.....	.....	.....
100	15.00	15.00	Do., pref..........	......	15.00	.....	.....	.....
No	.20	.09	Olga Gas & Oil..........	15,100	.15	.18	.16	.18
No	.06½	.02	Penn. Pete..........	123,600	.03½	.04½	.03½	.04
No	20.00	20.00	Perfection Pete pfd.	......	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas..........	500	.12	.12	.12	.12
No	.14	.08	Ranchmen's..........	......	.09	.....	.....	.....
1	.01	.00¾	Regent..........	......	.01	.....	.....	.....
No	.02½	.01	Richfield..........	......	.01	.....	.....	.....
No	6.65	3.95	Royalite..........	30	4.00	4.00	4.00	4.00
1	.12	.05	Sarnia Oil..........	1,600	.08	.07	.05	.07
1	.03	.01	Signal Hill..........	......	.01	.....	.....	.....
1	.20	.10	Spooner..........	......	.10	.....	.....	.....
No	.11	.05½	Sterling Pacific..........	......	.05½	.....	.....	.....
1	.11	.07½	Turner Valley..........	......	.07½	.....	.....	.....
No	.08	.03	United..........	......	.03	.....	.....	.....
1	.09½	.03	Vulcan..........	......	.03	.....	.....	.....
No	.02	.00½	Wainwell..........	......	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to June 28)					
25c	.00¾	.00½	Bayview..........	......	.00½	.....	.....	.....
20c	.05	.03½	Beaver Silver..........	2,000	.03½	.03½	.03½	.03½
25c	.02½	.01	Bluebird..........	......	.02	.....	.....	.....
1	.12	.04½	Bridge River Cons.	2,700	.05	.05½	.05	.05½
25c	.01½	.01½	Cork Province..........	......	.01½	.....	.....	.....
1	.13	.02	Cotton Belt..........	......	.02	.....	.....	.....
	.01½	.01½	Dalhousie Mines..........	5,000	.01½	.01½	.01½	.01½
1	.45	.15	George Copper..........	......	.20	.....	.....	.....
50c	.02	.01½	Geo. Enterprise..........	......	.02	.....	.....	.....
1	.04½	.02	Georgia River..........	39,000	.02½	.02½	.02½	.02½
1	.24	.10	Golconda..........	1,000	.12	.12½	.12	.12
50c	.08	.02	Grandview..........	2,000	.02½	.02½	.02½	.02½
1	.01	.01	Independence..........	......	.01	.....	.....	.....
1	.01½	.01	Indian Mines..........	......	.01½	.....	.....	.....
1	.12	.09	Inter. Coal..........	......	.12	.....	.....	.....
1	.21	.21	Jack Waite..........	......	.21	.....	.....	.....
25c	.00¾	.00½	Kootenay King..........	......	.00½	.....	.....	.....
1	.19½	.08	Lorne Gold..........	10,850	.09	.09	.08	.08
10c	.02	.01	Lucky Jim..........	......	.01	.....	.....	.....
5c	.12	.05½	Metaline Metals..........	......	.05½	.....	.....	.....
1	.03	.00¾	Morton Woolsey..........	......	.00¾	.....	.....	.....
50c	.03	.00¾	National Silver..........	9,000	.01½	.01½	.01½	.01½
50c	.08½	.02	Noble Five..........	29,000	.02½	.03	.02	.03
50c	.01	.00½	Oregon Copper..........	......	.00½	.....	.....	.....
1	4.11	3.00	Pioneer Gold..........	950	3.50	3.45	3.35	3.35
50c	.08½	.04	Porter Idaho..........	......	.04	.....	.....	.....
No	.01	.00½	Premier Border..........	......	.00½	.....	.....	.....
No	.28	.07½	Reeves McDonald	100	.08	.07½	.07½	.07½
1	.52	.21½	Reno Gold..........	750	.39	.40	.38	.38
1	.05	.02½	Ruth Hope..........	......	.03	.....	.....	.....
1	.03½	.02½	Silverado..........	......	.03½	.....	.....	.....
25c	.02	.01	Silver Crest..........	......	.01	.....	.....	.....
50c	.01½	.00½	Snowflake..........	5,000	.00½	.00½	.00½	.00½
20c	.02½	.01	Wellington..........	......	.01	.....	.....	.....
1	.04	.01	Whitewater..........	......	.00¾	.....	.....	.....
No	.00⅞	.00¼	Woodbine..........	......	.00 1/16	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Ajax Oil..........	3c.	....	Petrol Oil..........	1c.	....
Dome Mines..........	$1+20c.	11.42	Premier..........	12c.	27.90
Hollinger..........	65c.	13.13	Pioneer, B.C..........	12c.	3.58
Howe Sound..........	$1	....	Royalite..........	50c.	....
Lake Shore..........	$2+50c.	8.92	Siscoe..........	4c.	....
McIntyre..........	$1.50	8.57	Sylvanite..........	4+½c.	8.18
McLeod Oils..........	5c.	....	Teck Hughes..........	60c.	14.96
Noranda..........	50c.	3.50	Wright-Har..........	10c.	3.78

Soya Bean & Meal Co-op. Now Started at Chatham

The Soya Bean & Meal Co-operative Company, of Canada, Ltd., has been officially started in a new industry which has been in the process of formation for some time, largely under the auspices of the Chatham Board of Trade. As the land in that section of Ontario is very well adapted to the growing of soya beans, it is the hope of the sponsors that the industry will be a benefit to the farmers and may reduce the acreage of white beans of which there is an over production at present.

Apart from a small plant located at Milton, Ont., this will be the only concern in Canada in the business of crushing and refining this product which is manufactured into meal cakes for animal feed and vegetable oils, the latter being used for many purposes, including the manufacture of soap.

Flour Mills Operate at 36% of Capacity

From Our Own Correspondent

MONTREAL—Canadian flour mills operated at 35.9 per cent of capacity in April this year, producing 993,38 barrels of flour. This compares with an operating ratio of 36.3 per cent in April, 1931, when they produced 1,058,311 barrels of flour. Exports in April fell to the lowest point in years, totalling 255,390 barrels. This compared with 414,779 barrels in the previous month, and 326,117 barrels in April, 1931.

The decline in production this year is illustrated in comparative figures for the first four months of 1932. Up to the end of April, there were manufactured 3,740,470 barrels which compares with 4,348,374 barrels in the same period last year. Exports have shown a similar decline, totalling 1,359,488 barrels in the first four months of this year as contrasted with 1,693,699 barrels in the same period last year.

Algoma Steel Reopens Merchant Mill at Soo

From Our Own Correspondent

MONTREAL — Algoma Steel Corp. has reopened its merchant mill which is now engaged in the manufacture of structural steel shapes and is filling an order for automobile parts for Ford Co. of Canada. It is understood that the mill is operating on a single shift.

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B. C. Apple Exports Gain

According to a report of the Empire Marketing Board, apple exports to Europe from British Columbia rose to a new high record in 1931.

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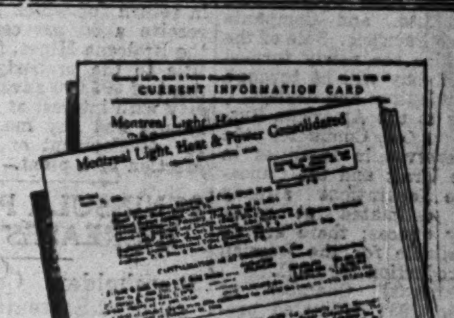
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Canadian Mining News

PLATINUM GROUP GAINS IMPORTANCE IN MINING OUTPUT

Greatest Output Comes from Copper-Nickel Sudbury Ores

NEW USES FOUND

Consolidated Platinums is Formed in England to Sell for Whole World

Finally revised statistics on the output of the metals of the platinum group, as reported by the mining, metallurgical and chemical branch of the Dominion Bureau of Statistics at Ottawa, show that 91,693 fine ounces of platinum, palladium, rhodium, iridium and ruthenium valued at $2,814,617 were produced from Canadian ores in 1931 as compared with 69,116 fine ounces worth $2,439,128 in 1930.

Imports of platinum, including manufactures thereof, and palladium, iridium, osmium, ruthenium and rhodium were valued at $54,428 as against $122,851 in 1930. During the year 14,202 ounces of platinum valued at $1,135,388 and contained in concentrates or other forms and 81 ounces of scrap valued at $2,070 were exported. Of these concentrates 13,528 ounces went to Great Britain, 672 ounces to Norway and 2 ounces to the United States.

Comes From Sudbury

Production of the Canadian platinum metals comes almost entirely from the copper-nickel ores of the Sudbury area. Small amounts of these metals are also obtained in alluvial gold mining operations in British Columbia. The Department of Mines of this province reports that in 1931 numerous unemployed men took advantage of their spare time and "sniped" along the edges of the Tulameen and Similkameen rivers; many odd lots of gold and platinum were recovered in this manner.

On April 23, 1931, the new extensions to the precious metal refinery of the Mond Nickel Co. of England, located at Acton, near London, were formally opened. This plant treats the platinum metals concentrate produced at the Port Colborne (Ontario) nickel refinery of the International Nickel Company of Canada. The laboratories at Acton have been specially built for purposes of research in connection with the platinum metals. The International Nickel Company of Canada reports that notwithstanding drastic curtailment of operations generally, the output of platinum metals in 1931 was 91,644 ounces compared with 71,260 ounces in 1930, an increase of 22 per cent. Platinum production was 44,725 ounces compared with 36,806 ounces in 1930. The purity of the refined metals produced has been maintained at Acton and due to improvements in process technique, costs were reduced approximately 19 per cent.

Form World Distributor

In 1931 a new English company, Consolidated Platinums Ltd., was formed. This organization has concluded contracts to buy and resell virtually all the new platinum production originating in the U. S. S. R., Canada, South Africa and Colombia, constituting the major portion of the world's output of this precious metal. Producers associated with this company include Edelmetalle Vertriebs A. G., The Mond Nickel Co. Ltd., Johannesburg Consolidated Investment Co. Ltd., New Consolidated Gold Fields Ltd., and Compania Minera Choco Pacificio. Sale of the platinum which the newly formed company will buy will be through existing distributors and dealers.

According to the American-Russian Chamber of Commerce the platinum reserves in localities in Siberia, the Urals and the Caucasus, where operations already exist, are estimated at seven million troy ounces; there are no figures available for the Russian platinum production for 1931.

The Transvaal Chamber of Mines report 1931 estimated productions of osmiridium and platinum in the Transvaal as follows: 6,064 ounces of osmiridium, 36,545 ounces platinum, including other metals of the platinum group and some gold.

New Applications Are Made

Both in the electrical and in the dental fields new applications are currently being made of platinum. Palladium leaf was made available to the trade during 1931. Some of the many industrial uses for platinum metals include iridium-platinum alloys for gem mountings and high grade jewellery palladium to replace 18 kt. white gold.

Iridium-platinum or ruthenium-platinum alloys for heavy duty electrical contacts.

Platinum and rhodium platinum for high temperature thermo-couples.

Platinum and rhodium-platinum as catalysts.

Platinum for chemical and non-corrosion ware.

The average New York price for platinum during 1931 was $35.67 per ounce as compared with $45.36 in 1930.

Pascalis-Louvicourt Area is Attracting Prospectors

For years prospectors and engineers paid little attention to the Pascalis-Louvicourt area in Quebec, because it did not have the earmarks of the gold camps of proven merit. Now all this is being changed, and the once-despised granodiorite areas are being searched eagerly for deposits that may duplicate the Siscoe and Treadwell Yukon properties.

The features of this area were studied last summer by Dr. L. V. Bell, geologist of the Quebec Bureau of Mines. In the July issue of the bulletin of the Canadian Institute of Mining and Metallurgy, Dr. Bell describes officially for the first time the gold properties in what may possibly develop into a really large gold camp. As the surface exposures of the gold in this area are inconspicuous, much attention is drawn to work there as it may prove the advisability of the re-examination of similar areas which have been turned down because surface indications were unpromising.

Morgan Mill Clean-up Shows High-Grade Ore

The clean-up at the Morgan mill at Herb Lake, Man., shows an average run of the ore around $40 a ton. The gold bricks taken in half a month weigh more than 17 pounds troy, or around $5,000 in value.

The first bullion taken from this old mining camp in years left on June 30 for The Pas, where it will be shipped east. Mining men claim it is the purest gold bullion ever taken out of a northern mill.

It is expected there will be a definite revival of interest in the northern mining fields, especially Herb Lake, as a result.

LORNE GOLD MINES PROFITS REPORTED, WORKING ACTIVELY

Shareholders Meeting in July to Consider Proposals For Dissolution

Lorne Gold Co. profits at Bralorne are stated in Vancouver to have realized more than $100,000 clear profit from operations since the mill got under way about March 1. The mill is stated to be operating steadily at about 100 tons a day.

According to reports in the Vancouver press, the King vein has been cut at a depth of 270 ft. below the main adit, giving more than 1,000 ft. of depth on this vein altogether. Work is proceeding on the extension of the main tunnel in a southeasterly direction to intersect additional veins showing on the surface. At depth this work has located the Alhambra vein and it is intended to continue this tunnelling toward the Pioneer in order to prove up further veins.

May Dissolve Lorne Gold

At a meeting on June 28, it is understood, arrangements were made to dissolve the Lorne Company. In July Lorne shareholders are expected to have a proposal placed before them to receive the equivalent of their holdings in Bralorne, thus simplifying the capital structure. It is proposed that the Lorne Company should pay off $37,000 owning to Stobie-Forlong Assets Ltd. with 370,000 Lorne shares at 10 cents. This would bring the outstanding Lorne shares to 3,080,587.

The interest of the Lorne Co. in the Lorne mine is represented by 400,000 Bralorne shares, the other 600,000 outstanding shares of Bralorne being held by the Bralco interests headed by Austin Taylor. The exchange basis is expected to be about one Bralorne for each eight Lorne shares held. An alternative proposal is to double Bralorne's capitalization and make the exchange basis one Bralorne for every four Lorne.

Bralco Advances Dominant

Lorne Gold Mines Ltd., which was incorporated in British Columbia in 1931, is a holding company, owning a 40 per cent interest in the Bralorne Mines. Early in 1931 the Bralco Development & Investment Co. asked Lorne Gold to take over the assets and continue development of the property. Bralco was to advance a sum sufficient to meet final payment of the property plus an amount up to $50,000 for development and $150,000 to build a mill and power plant, in return for which Bralco was to receive a 60 per cent interest in the Bralorne Mines, formed to hold title to the property, plus repayment of $95,000 advanced for property with interest at 6 per cent per annum and any moneys advanced for development of the mine and erection of a plant.

PENINSULA PETE. INCREASES CAPITAL

Shareholders Criticize Unaudited Statement—Spent $60,247 on Wainwell

Shareholders of Peninsular Petroleums, Ltd., though objecting to the form of the unaudited financial statement, covering the period to June 15, which was presented at the annual meeting, nevertheless accepted it with the understanding that copies would be forwarded to shareholders. Shareholders approved the resolution whereby the capital stock will be increased from 2,000,000 to 4,000,000 shares. It was stated that of the 2,000,000 old shares, 1,998,928 shares had been issued.

A new board of directors was elected as follows: Dr. W. A. Elgie, Chatham; O. Walmsley, Owen Sound; Edmund Fry, Bridgeburg; A. H. Stevenson, George Endress and M. M. Kennedy, Toronto.

The balance sheet as presented shows receivables of $1,532. Current liabilities $13,676 owing to creditors, and $19,000 owing to directors.

The investments in Wainwell Oils Ltd., was given at $90,000. There had been expended a total of $189,774 on field development, with $60,247 expended on Wainwell. Leases were written down at a value of $466,000. Preferred charges to operations were $27,976, including legal fees, administration, etc.

STARTING REFINERY OF BRITISH COPPER

Sole Plant in United Kingdom Will Work With Roan Antelope

British Copper Refiners, Ltd., organized by interests associated with British Insulated Cables and the Roan Antelope Copper Mines, will erect at Prescot, Lancashire, a copper refinery with an initial capacity of 1,000 tons per week. The new refinery, which is expected to be in operation before 1933 replaces a pilot plant in operation for the past couple of months.

The refinery, the first and only works of its kind in Great Britain will manufacture blister copper into copper bars, billets, cakes and slabs.

If the initial maximum output of the plant at 1,000 tons per week proves insufficient extensions of buildings and machinery can be carried out.

The raw material will be imported from the Roan Antelope Company's mine in Rhodesia.

EAST GEDULD WORK SEES STEADY GAINS THROUGHOUT YEAR

Can Increase Production With Present Mill — Dome Owns 90,000

At the fifth ordinary general meeting of shareholders in the East Geduld Mines at Johannesburg, South Africa, on May 19, 1932, P. M. Anderson, chairman of the company, stated that since trial crushing began on July 6, 1931, all units of the reduction plant have gradually and successfully been brought into commission. The first small clean-up of gold was made at the end of August in 1931. This resulted in a substantial loss on working account, which was augmented by a further small loss in September, so that at the end of the quarter there was a debit balance of £63,000. This will interest all Dome shareholders as Dome Mines bought 90,000 shares a year ago.

The company's first working profit in October was £5,000, rose to £10,000 in November and to £15,000 in December. The loss on working account was, therefore, reduced to £33,000 at the end of the year.

Steady Improvement Reported

Since the close of the year steady improvement has been reported in all directions. There has been an increase from 51,000 to 57,300 in monthly tonnage milled, an improvement of 1s. 6d. in the yield to 26s. 4d. per ton, a reduction of 3d. in the cost per ton milled to 18s. 9d., including 3s. per ton for development, and an improvement in the working profit to £21,681. The profit for the four months totalled £73,308.

The consulting engineer stated in his report that the plant was capable of dealing with more than its nominal capacity of 60,000 tons monthly. The president estimates the excess to be about 10 per cent. The mine is being rapidly brought into a position to supply such tonnage by means of additional stope faces which are becoming available and by additional transport facilities underground.

Values Gain With Depth

Milling operations were started 4½ years from the date of the formation of the company with a minimum number of unopened stope faces and very limited transport facilities underground. Under the circumstances the technical staffs have increased the milling rate quite rapidly. A large number of abnormal and non-recurring items are reported as having been encountered in the early stages.

Development work is being conducted for the company by Geduld Proprietary Mines on a greater scale than before 1932. Highest grade ore was exposed in the deepest workings on the sixth level. Work on the seventh level is disclosing values even better.

The ore reserves, as re-measured and valued at the end of the year, were 3,750,000 tons valued at 6.9 dwt. over a stoping width of 58 inches.

Taxation Rises

The capital expenditure to the end of 1931 amounted to £1,529,213, apart from the value locked up in stores and materials. Toward the end of the year the over-expenditure on capital account was corrected by an issue of 60,000 new shares, increasing the capital of the company to £1,560,000. These shares were subscribed by the Union Corporation, in terms of the agreement with that company, and fully paid up.

The South African Government decided to increase gold-mining taxation by one-third — namely, from 3s. to 4s. in the pound of taxable amount. In terms of the lease agreement with the Government the amount payable as Government share of profits will be reduced by the amount payable on account of this increase in taxation. Consequently dividends will not be affected.

Aid Grootvlei Proprietary

The eastern neighbor, the Grootvlei Proprietary Mines, has made arrangements for the opening up of its property whereby East Geduld has undertaken to accelerate the sinking of certain of its inclines with a view to these being extended as quickly as possible to the common boundary of the farms Geduld and Grootvlei, thereby providing means of access to the property of the Grootvlei Company. East Geduld receives suitable compensation for carrying out this work ahead of its own programme, and when the Grootvlei Company requires capital funds over and above the first £1,223,540 which is otherwise ear-marked, East Geduld has the right to subscribe for up to 120,000 shares at par less 5 per cent commission.

GREAT BEAR LAKE CO. STAKES MORE BLOCKS

Only Preliminary Exploration and Development Work Done to Date

Officials of Great Bear Lake Mines state that several additional blocks of property have been staked since its crew went in last March to its various groups of claims in the vicinity of Echo Bay at Great Bear Lake.

Though the crew has been on active exploration work only preliminary exploration and development work has been done. Before the end of the present season it is expected that some group will have received careful examination.

Work has been largely confined this year to the Bismuth and Rad groups in the main mineral section, where six men under the direction of C. H. E. Stewart have been engaged for three months. A quartz vein has been located on the Rad group and followed for some distance, showing a width of about three feet and is well mineralized containing galena, sphalerite and chalcopyrite. The property holds out promise for gold, silver and other mineral values. Three other quartz veins were located on this group last year and are now being opened up.

Recent work on the Bismuth group, adjoining Eldorado and Smelters' holdings, has shown favorable showings of manganese. Two parallel veins have been traced for 1,500 ft., and a third vein is being explored.

ORE WITH RADIUM ON QUADRA ISLAND GIVES GOOD VALUE

Easily Accessible Property on Pacific Coast Attracts Western Interest

Radium-bearing ore, giving very attractive values from laboratory tests, is reported to have been discovered on Quadra Island, British Columbia. The Financial Post is informed that samples submitted to the ore-dressing and metallurgical division of the Department of Mines, Ottawa, gave a return of 28.9 per cent uranium oxide from which radium is produced and that further samples tested at the laboratories of the University of British Columbia gave a return of 27.9 per cent uranium oxide which at the present price of radium would mean a value of approximately $6,000 per ton in that content alone. There are however associated with the uranium appreciable values in both thorium and vanadium.

The minerals are found in the form of carnotite which, prior to the advent of the high grade pitchblende of the Belgian Congo, formed the chief commercial source of radium from several localities in the United States.

Quadra Island is easy of access as it lies approximately 100 miles north of Vancouver on the inland passage. The strike was made at an elevation of possibly 300 feet above sea level and only a mile or so back. The area is low and rolling and having been severely burned over some six years ago exposes about 50 per cent of its surface to the prospector.

The property was recently visited by Wm. A. Bower of Canadian Financiers Trust Co. and Geo. L. MacInnes a well known Vancouver mining lawyer. The latter reports that they were able with the aid of a stick to dig out about 20 lbs. of carnotite from a couple of small fissures. These samples have been freely exhibited about Vancouver and considerable interest has been aroused. More detailed geological data are awaited with interest.

GEDULD PROP. MINES HAS ALL-ROUND GAIN

Company Increases Dividend —Expects Much From East Geduld

At the annual meeting of Geduld Proprietary Mines at Johannesburg, South Africa, on May 19, P. M. Anderson, chairman of the company, reported an all-round improvement, the aggregate effect of which was to permit of the payment of an increased dividend. The tonnage milled was 1,000 tons more, the yield per ton milled at 27s. 1.3d. was about a farthing higher, and working costs per ton milled at 16s. 3.3d. were about 1¼d. lower, so that the working profit per ton milled was 1½d. higher at 10s. 10d.

From the 1,012,000 tons of ore milled during the year the working profit derived was £548,047 or £6,761 more than in 1930. There was a gross profit of £576,865 and a net profit after taxes, donations and contributions of £500,043. The two dividends distributed during the year totalled 33¾ per cent or 6s. 9d. per share.

Ore reserves were recalculated at 5,900,000 tons of an average value of 6.6 dwt. over an estimated stoping width of 59 in. Value and widths are unchanged but total reserves are calculated at 100,000 tons less than at the end of 1930.

The company participated equally with the Union Corp. during the year in the subscription at par of 60,000 new shares issued by the East Geduld Mines. Geduld Proprietary now owns 35½ per cent of the shares of East Geduld Mines. The chairman hopes that dividends from this source will eventually be of great assistance to Geduld Proprietary Mines.

LAKE MARON GOLD ENTERS GREAT BEAR

Joins Algoma Mining & Finance in Exploration Work

Lake Maron Gold Mines, Ltd., a company owning a gold property in Dasserat Township, Quebec, on which diamond drilling and surface work has been done, has decided to enter the Great Bear Lake field of Northwest Territories. The company has completed a deal with Algoma Mining and Finance Corporation, which has extensive holdings at Echo Bay, whereby the two organizations will be associated in further activities in that region.

Prospecting and development has been carried on this year, and the Lake Maron Co., in addition to acquiring properties of its own, will participate in activities of Algoma Finance and its associated interests.

A resolution was passed at the annual meeting of Lake Maron shareholders at Stratford, Ont., changing the share from one dollar par to shares of no par value, and Frank H. Bell was re-elected president. Directors are: S. G. Tobin, vice-pres.; P. V. Elliott, H. C. Cox, J. P. Walsh, W. G. Chipp and E. Miles Flynn. T. M. Mungovan was elected secretary-treasurer. The company is capitalized at 2,500,000 shares under Federal charter, of which 1,181,959 remain in the treasury.

Kirkland Lake Profits Nearly $30,000 Monthly

Kirkland Lake Gold Mines' net profit from operations in the first half of this year is about $130,000. Last month's earnings are above the average. In fact, the company is maintaining earnings on a net basis of slightly under $30,000 monthly, and this rate may be increased during the last half of the year.

Kirkland Lake is building up its liquid assets steadily in spite of expanded operations. The management is sinking a winze from the 4,950-ft. level to tap the ore zones at 6,000 feet depth.

Developments on the bottom level continue satisfactory. A number of sections have been opened up carrying values above $100 to the ton in gold, while the general average for the level is well above that for the mine as a whole. It is largely due to mill-feed from the lower workings that the company has been able to bring its millheads above $12 a ton, which has been the average for the greater part of this year. Officials are of the opinion that the higher grade of ore will be found on the new levels to be opened up in the future.

Lowery-Royalite Deal

Lowery Petroleums, Ltd., shareholders are called to a special general meeting to be held July 11, to pass on a resolution for the sale to the Royalite Oil Co. of 250,000 shares of Southern Lowery Oils, Ltd., in consideration of 10,000 shares of Royalite.

Canada's Gold Production Set New Record for May

Output 5 Per Cent Higher Than Previous Monthly Peak—Big Ontario Mines Record Increased Outputs — All Provinces Gain Except Manitoba

The Dominion Bureau of Statistics at Ottawa reports that the production of gold in Canada during May set a new high monthly record. Output during the month totalled 268,543 ounces, an increase of 5 per cent over the March production, the previous peak month, and 24.5 per cent over the May, 1931, total of 215,775 ounces. During the five months ending May, Canadian mines produced 1,230,294 ounces as compared with 1,039,350 ounces in the corresponding period of 1931.

In May, Ontario mines produced 198,353 ounces of gold, consisting of 101,587 ounces from the Kirkland Lake field, 87,317 ounces from the Porcupine camp and 9,449 ounces from other sources. Compared with the preceding month, Barry-Hollinger, Dome, Hollinger, Howey, Kirkland Lake Gold, Lake Shore, McIntyre, Moss, Sylvanite and Wright-Hargreaves recorded increased outputs in May. The Ankerite mine, in the Porcupine camp, a former producer, resumed shipments in May and the new Hayden mill in the same field produced gold bullion during the month.

Quebec Gains

Quebec's gold output advanced to 41,802 ounces in May as compared with 35,998 ounces in April and 32,093 ounces a year ago.

British Columbia operators reported a production of 17,224 ounces; in April 16,201 ounces were produced, and in May, 1931, the total was 12,216 ounces.

In Manitoba, gold production declined to 8,746 ounces as against the April total of 9,318 ounces. During May, 1931, Manitoba's output was 8,456 ounces. The San Antonio mill, in the Rice Lake district, was completed in May. This month's records include the first production of gold bullion by the new mill. The Cryderman mine, near Moore Lake, made its first shipment of gold bullion to the Royal Canadian Mint during May. Production in the Yukon and Nova Scotia amounted to 2,408 ounces; in the preceding month 35 ounces were produced.

According to the Engineering and Mining Journal, April gold production in the Transvaal, the world's leading gold producing area, amounted to 949,796 ounces as compared with 882,337 ounces produced in April, 1931. Output in May reached a total of 965,644 ounces, an advance of 6.1 per cent over the May, 1931, production of 910,279 ounces.

PRODUCTION OF GOLD IN CANADA
(in ounces)

	1932	1931	1930	1929
Jan. .	233,826	202,351	154.506	150,554
Feb. ..	225,891	195,118	145,806	145,981
Mar. ..	255,675	204,038	164,187	155,932
Apr. ..	246,359	222,073	169,596	153,470
May ..	268,543	215,775	168,695	165,139
5 mos. end.				
May	1,230,294	1,039,350	802,790	771,076

Ontario's Gold Mines Taxed 26% in Profits

In Canada's principal gold-producing province, Ontario, the gold mines are now being taxed to the extent of 26⅓ per cent of the true profits, says Balmer Neilly in the July issue of the bulletin of the Canadian Institute of Mining and Metallurgy. This excessive taxation is becoming a threat to the progress of gold mining, and Mr. Neilly thinks it is likely to prevent the development of certain large, low-grade gold deposits, whose profits would vanish if subjected to the present rate of taxation.

Mr. Neilly states that the $45,000,000 of gold won from Ontario mines in 1931 was distributed as follows: $15,000,000 in dividends; $3,500,000 as a reserve, mainly to find and develop other mines; and $27,000,000 to operate the mines and mills.

Hudson Bay Mining Steps Up Production in Marked Manner

Gets 4,000 Tons Daily Out of Plant Designed For 3,000 —Gold Recovery Runs Over Estimated Average in Underground Workings—Ottawa Conference Inspires Hope

R. H. Channing, Jr., president of Hudson Bay Mining & Smelting Co., confirms to The Financial Post the Western news report that this company is now running 4,000 tons of ore daily at its plant in Flin Flon. Though the plant was designed for 3,000 tons daily capacity, various improvements made since its installation now permit of a larger tonnage.

Though expected in the beginning to yield a profit on 15-cent copper and proportionately high zinc, the plant and mine have yielded an operating profit upon 8-cent copper and less than four-cent zinc. Copper is now below six cents and a tariff of four cents has been placed by the United States on copper imports. Hudson Bay has also lost the Sherritt-Gordon concentrates since the latter company stopped operation, but nevertheless has increased production to the limit of capacity. This high production means lower overhead costs per ton of ore handled.

Gold content is reported to have helped considerably. It was expected that the gold would run considerably over the general average estimate in the open pit, but it has also run considerably over the estimated average in the underground workings. It is in gold content not so rich as the Noranda Mine in Quebec, but is quite sufficient to make Manitoba at last a gold-producing province.

Officials of the company are hopeful that the Ottawa Conference will do much to offset the four-cent copper duty put on by the United States and also the loss of the Sherritt-Gordon business. The responsibility for giving employment is one of the principal reasons, however, that leads the company to continue operations on such a scale, but every effort is being made to find new markets in order to be able to continue operations upon the largest possible scale.

The Financial Post is informed by a high official that the recovery per ton in both gold and copper is around about last year's average.

Falconbridge Nickel Co. Runs Smelter Full Tilt

Falconbridge is one of the bright spots in mining today.

While the nickel industry as a whole is sadly depressed at present, one producer, Falconbridge Nickel Mines, is forging steadily ahead. During this year the smelter at Sudbury has been working at its full capacity of 330 tons a day, and the heavy stocks of refined nickel held at the beginning of the year have been reduced materially.

In the July issue of the bulletin of the Canadian Institute of Mining and Metallurgy, J. R. Gill, smelter superintendent, and E. Craig, general manager, of Falconbridge, describe the smelter as one of the simplest and neatest metallurgical plants in Canada with low initial cost and economical performance.

Tailings

Another trial is being given the old Tough-Oakes-Burnside Mines at Kirkland Lake, now owned by Toburn Mines, Ltd. The old group has been developed to a point where production is expected, and with hopes based mainly on deep work. Encouragement is drawn from the report that on the adjoining Sylvanite at a depth of 3,000 feet the downward continuity of mineralization has been ascertained. Before suspending operations in 1928 the mine had produced $2,909,000.

* * *

Current issue of the Ontario Gazette carries notice of the incorporation of the following mining companies: Bear Exploration & Radium, Ltd., with a capital of $4,000,000, in $1 par shares. This company has taken over the Great Bear Lake holdings of N.A.M.E.; Sun Bear Mines, Ltd., with a capital of $2,500,000 in $1 par shares. This company will probably carry on development of the Great Bear properties of the Sun Bear Syndicate, organized by Toronto and Montreal interests; and Vermilion Lake Gold Mines, Ltd., with a capital of 15,000 no par shares.

* * *

On July 4 a crew commenced dewatering the Crown Reserve workings at Larder Lake, in accordance with the plan of the shareholders' protective committee. The adjoining property, the Proprietary Mines, has been kept pumped out, and, it is understood, work will commence shortly at this mine as well.

* * *

As for the Pascalis gold field in northwestern Quebec, J. C. Carroll, of the Carroll-Meen Syndicate, says that Treadwell Yukon has everything in for the power plant and expects to have power available at the mine by August 1. Crosscutting is under way on the 675 ft. level and results to date have been good. Hollinger is bringing in more men and equipment to open up its property in Louvicourt. Nipissing has commenced trenching its holdings.

* * *

E. L. Koons, president of Sylvanite Gold Mines, at the annual meeting in Kirkland Lake, told stockholders that the outlook for the property was better than ever before and that results of test drilling north of No. 2 shaft were very significant. Crosscutting north on the 3,000 ft. level has been started.

* * *

Rothschild-Rio Tinto-Rhokana interests plan for the erection of an electrolytic copper refinery in England to cost £1,000,000. The refinery will handle the output from the company's own mines and do a general custom business. It is stated that such a programme has been under consideration for about two years, but it is now rumored that the refinery will be completed and in operation before the end of 1934.

Siscoe's June Output Had Millheads $13.57

Siscoe Gold Mines reports June production to be 5,312 tons which, with millheads at $13.57 had a value of $71,037.05. The Siscoe vein on the 150-foot horizon, producing good ore with considerable free gold showing, is understood to show a width of around five feet. It is the intention to drive a crosscut to intersect it on the 300-foot horizon. Work on the 600-foot horizon also is producing good ore. Siscoe is adding additional mine equipment in preparation for increased production.

Conserving Gas in Turner Valley Began on July 4

Conservation of gas went into effect in Turner Valley on July 4. Alberta government's conservation board later reported all operators had acceded to its orders.

Closing in of the wells will enable the board to ascertain the gas pressure at each well and thus permit it to allot a fair production figure for each operator when the tests are completed. It is planned to reduce gas production to less than 200,000,000 cubic feet daily with a drastic reduction in naphtha production also.

The tests are being accomplished after a struggle in and out of the courts. Independent operators objected to basing the gas production on the flow of naphtha on the grounds that a reduction in naphtha would make operations profitless and put some companies out of business. Spooner Oils sought a permanent injunction to restrain the board from enforcing conservation, but the Alberta Supreme Court dismissed its application.

The company has given notice of appeal and attempted to obtain a stay of execution to prevent conservation until completion of the appeal but this was refused by Mr. Justice A. A. McGillivray in Appellate Court.

Another obstacle to conservation was the high pressure of several wells, operators claiming explosions might occur if closed in. Hylo Well No. 1 owners claimed serious property damage would result if its great pressure was stemmed. The board, however, ordered it be closed in under threat of lease forfeiture.

Model Oils Net Income Was $76,284 in 1931

For the year ended May 31, 1932, Model Oils, Ltd., reports revenue from sale of 61,356 barrels of oil of $149,325, which with other income including interest and transfer fees brought total revenue to $152,246. From this is deducted production expenses of $10,174; office expenses, $17,257; insurance, $1,503; taxes, $1,386; directors' fees, $4,320; travelling expenses, $1,234; lease rentals, $88, and depletion and depreciation reserve, $39,999, leaving a net operating profit for the period of $76,284. In the year $49,230 was paid out in dividends.

The balance sheet shows total current assets of $59,305, made up of cash, $28,211; Province of Ontario bonds at cost, $14,381; and accounts receivable, $16,713. Liabilities are $2,792, of which cheques issued and unpaid account for $1,892, and accounts payable, $900. Model is capitalized at 1,000,000 shares of $1 par value of which 820,510 shares are outstanding.

The annual shareholders' meeting will be held in Calgary July 16.

CROW'S NEST COAL CASH IS STRONGER

Profit is Much Reduced in 1931; Ends Year With Debit Balance

Crow's Nest Pass Coal Co. had a net profit of $27,447 in 1931 after provision for income tax in contrast to net profit of $166,881 in the previous year. Coal and coke operations showed a loss of $23,470 which was offset by a profit of $52,605 on land, timber operations and revenue from other sources. Production of coke was maintained at 73,247 approximately the 1930 level, but coal mined dropped to 452,730 tons from 532,922 tons in 1930. The company ended the year with a debit balance. Capital distribution made of $3 per share during 1931 was taken from depreciation and depletion reserve account.

Income and surplus account for the past two years is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1931	1930
	$	$
Net earnings:		
From coal & coke ...	*23,470	101,345
From lands, timber oper. & other sources	52,605	76,147
	29,135	177,492
Less: Inc. tax prov.	1,688	10,611
Net profit	27,447	166,881
Less: Dividends	......	279,529
Surplus for year	27,447	*112,648
Add: Prev. surplus	2,984	115,632
Less: Adjust. B.C. taxes	2,989	......
Adjust. of deprec. ...	1,529	......
Res. for exhaustion of coal areas	53,292	......
Surplus forward	†27,378	2,984

*Loss. †Debit balance.

Operating profit of Crow's Nest Pass Coal & Electric Light & Power Co., a subsidiary, amounted to $11,728 which was transferred to depreciation reserve. Another subsidiary, Morrissey, Fernie & Michel Railway Co. had operating loss of $9,664. Capital expenditures in the year totalled $16,543.

During the year current assets increased to $897,760 from $842,361 and current liabilities were down to $153,450 from $164,035. Cash was up to $350,852 from $226,623; accounts receivable down to $369,186 from $406,509 and inventories down to $177,772 from $210,229. Securities and shares owned are practically unchanged at $1,610,966. Mines, real estate, plant and equipment are carried at $3,628,943 after deduction of unstated reserves for depreciation and exhaustion. Paid up, capital stock is shown at $6,212,667 subject to deduction of $186,354 distributed on capital account and profit and loss debit balance of $27,378.

Selected Oils Drilling

Selected Oil and Natural Gas Syndicate is drilling for natural gas about three miles from Dunnville in Haldimand County, where it holds 1,000 acres on lease. Two wells have already been brought in and a third is drilling. Gas flow was encountered at about 800 feet depth and the syndicate proposes to sink about 20 wells during the present year. The gas will be sold to Dominion Natural Gas Company.

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